

## **SECTION 8**

# **AUDITED FINANCIAL REPORT**



**General Service Board of Alcoholics Anonymous Australia**  
**ABN: 77 001 417 125**

**Financial Report**  
**For the year ended**  
**30 June 2018**

**General Service Board of Alcoholics Anonymous Australia**  
**ABN 77 001 417 125**  
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**General Service Board of Alcoholics Anonymous Australia**  
**ABN 77 001 417 125**  
**Directors' Report**

The Directors present their report together with the financial report of General Services Board of Alcoholics Anonymous Australia for the year ended 30 June 2018 and auditor's report thereon. This financial report has been prepared in accordance with Australia Accounting Standards.

**Directors Names**

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

Michael Eastaway

Brett Fulloon

William Hayes

Thomas Faunce

Ruby Jones

Lachlan Botticchio Appointed 1 January 2018

Penelope Campbell Appointed 1 January 2018

Paul Jones Appointed 1 January 2018

Paul Budgen Resigned 14 July 2018

Michael Coolahan Resigned 31 December 2017

Bruce Macaulay Resigned 31 December 2017

Kerry Sheahan Resigned 31 December 2017

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

**Company Objectives**

To serve the fellowship of Alcoholics Anonymous in its primary purpose of helping alcoholics to achieve sobriety and to act as the legal entity of the spiritual Fellowship

Full objectives are described in the company's Memorandum of Association contained in the Australian Alcoholics Anonymous Service Manual.

**Company Performance**

The company incurred a surplus for the year of \$48,196. (2017 deficit \$138,857)

Progress reports and Financial reports are provided to the Annual General Service Conference, which is attended by all Directors of the Company. A monthly Management Group meeting, consisting of all National Office staff members and two General Service Trustees is held. These meetings review the monthly accounts, progress of the current National Convention, and progress of tasks assigned to the Board by Conference.

**General Service Board of Alcoholics Anonymous Australia**  
**ABN 77 001 417 125**  
**Directors' Report**

**Information on directors**

<b>Paul Bugden</b> Special responsibilities	Eastern Regional Trustee
<b>Michael Coolahan</b> Special responsibilities	Southern Regional Trustee
<b>Michael Eastaway</b> Special responsibilities	General Service Trustee
<b>Thomas Faunce</b> Special Responsibilities	Class A Trustee
<b>Brett Fulloon</b> Special responsibilities	Northern Eastern Regional Trustee
<b>William Hayes</b> Special responsibilities	Northern Regional Trustee
<b>Ruby Jones</b> Special responsibilities	Class A Trustee
<b>Bruce Macauley</b> Special responsibilities	General Service Trustee
<b>Paul Jones</b> Special responsibilities	Western Regional Trustee
<b>Kerry Sheahan</b> Special responsibilities	Western Regional Trustee
<b>Penelope Campbell</b> Special responsibilities	Southern Regional Trustee
<b>Lachlan Botticchio</b> Special responsibilities	General Service Trustee

**Directors' meetings**

The number of Directors' meetings attended by each of the Directors of the company during the year were:

Paul Bugden  
Michael Coolahan  
Michael Eastaway  
Thomas Faunce  
Brett Fulloon  
Ruby Jones  
Bruce Macauley  
William Hayes  
Kerry Sheahan  
Lachlan Botticchio  
Paul Jones  
Penelope Campbell

<b>Director meetings</b>	
<i>Eligible</i>	<i>Attended</i>
3	3
2	2
3	3
3	3
3	3
3	3
2	2
3	3
2	2
1	1
1	1
1	1



**GENERAL SERVICE BOARD OF ALCOHOLICS ANONYMOUS AUSTRALIA**

**ABN 77 001 417 125**

**AUDITOR'S INDEPENDENCE DECLARATION**

**TO THE DIRECTORS OF**

**GENERAL SERVICE BOARD OF ALCOHOLICS ANONYMOUS AUSTRALIA**

As lead auditor for the audit of General Services Board of Alcoholics Anonymous Australia for the year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been:

- i. No contraventions of the auditor independence requirements of 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.

This declaration is in respect of General Services Board of Alcoholics Anonymous Australia

.....

Graeme Kay CA – Registered Company Auditor

77/192 Vimiera Road, Marsfield NSW 2122

Dated this ..... Day of ..... 2018

**General Service Board of Alcoholics Anonymous Australia**  
**ABN 77 001 417 125**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2018**

	Notes	2018 \$	2017 \$
<b>Income</b>	2	288,182	283,720
Sales Revenue	2	394,812	294,982
Other Revenue	2	<u>682,994</u>	<u>578,702</u>
<b>Less Expenses</b>			
Changes in inventories of finished goods and work in progress	3	35,532	(24,403)
Cost of Goods Sold	3	(178,244)	(107,904)
Depreciation	3	(18)	(1,375)
Employee benefits expense		(269,388)	(270,849)
Rent expenses		(40,682)	(45,995)
Amortisation of Leasehold improvements		-	(2,783)
Insurance expenses		(16,540)	(18,159)
Telephone expenses		(6,385)	(6,183)
Postage		(6,905)	(6,379)
Public information expenses		(11,369)	(11,775)
Conference / Seminar costs		(55,533)	(62,301)
Travelling expenses		(39,404)	(46,942)
World service levy		-	(14,826)
Fringe Benefit Tax		-	(46,557)
Other expenses		(45,862)	(51,128)
		<u>(634,798)</u>	<u>(717,559)</u>
<b>Surplus / (deficit)</b>		48,196	(138,857)
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u><u>48,196</u></u>	<u><u>(138,857)</u></u>

General Service Board of Alcoholics Anonymous Australia  
 ABN 77 001 417 125  
 Statement of Financial Position  
 as at 30 June 2018

	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	257,052	146,565
Receivables	6	25,447	28,962
Inventories	7	156,310	120,778
Other financial assets	8	93,684	191,747
Other assets	11	23,479	24,694
<b>Total Current Assets</b>		<u>555,972</u>	<u>512,746</u>
<b>Non-Current Assets</b>			
Receivables	6	10,008	34,708
Property, plant and equipment	9	-	18
<b>Total Non-Current Assets</b>		<u>10,008</u>	<u>34,726</u>
<b>Total Assets</b>		<u>565,980</u>	<u>547,472</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	12	63,239	107,709
Provisions	13	5,630	4,039
<b>Total Current Liabilities</b>		<u>68,869</u>	<u>111,748</u>
<b>Non-Current Liabilities</b>			
Provisions	13	82,702	69,511
<b>Total Non-Current Liabilities</b>		<u>82,702</u>	<u>69,511</u>
<b>Total Liabilities</b>		<u>151,571</u>	<u>181,259</u>
<b>Net Assets</b>		<u>414,409</u>	<u>366,213</u>
<b>Equity</b>			
Retained earnings	14	414,409	366,213
<b>Total Equity</b>		<u>414,409</u>	<u>366,213</u>

**General Service Board of Alcoholics Anonymous Australia**  
**ABN 77 001 417 125**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2018**

	2018 \$	2017 \$
<b>Total Equity</b>		
Balance at the beginning of the year	366,213	505,070
Movement in equity from:		
Surplus / (deficit) for the year	48,196	(138,857)
<b>Balance at the end of the year</b>	<u>414,409</u>	<u>366,213</u>

**General Service Board of Alcoholics Anonymous Australia**  
**ABN 77 001 417 125**  
**Statement of Cash Flows**  
**for the year ended 30 June 2018**

	Notes	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		674,749	602,892
Payments to suppliers and employees		(664,468)	(625,730)
Interest received		2,143	1,795
<b>Net cash provided by/(used in) operating activities</b>	15	<u>12,424</u>	<u>(21,043)</u>
<b>Cash flows from investing activities</b>			
Receipt from (Payments for) investments		98,063	78,386
<b>Net cash provided by investing activities</b>		<u>98,063</u>	<u>78,386</u>
<b>Net increase/(decrease) in cash held</b>		110,487	57,343
Cash and cash equivalents at the beginning of the financial year		146,565	89,222
<b>Cash and cash equivalents at the end of the financial year</b>	5	<u><u>257,052</u></u>	<u><u>146,565</u></u>

General Service Board of Alcoholics Anonymous Australia  
ABN 77 001 417 125  
Notes to the Financial Statements  
for the year ended 30 June 2018

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial report was approved by the Directors as at the date of the Directors' report.

The financial report is for the entity General Service Board of Alcoholics Anonymous Australia as an individual entity. General Service Board of Alcoholics Anonymous Australia is a company limited by guarantee, incorporated and domiciled in Australia. General Service Board of Alcoholics Anonymous Australia is a not-for-profit entity for the purpose of preparing the financial statements.

The following is a summary of the material accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Basis of preparation of the financial report**

*Historical cost convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value of certain classes of assets and liabilities as described in the accounting policies.

**(b) Revenue**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rate applicable to the financial asset.

Donations and other revenue is recognised when the right to receive the revenue has been established.

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

**(c) Income tax**

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

**(d) Inventories**

Inventories held for sale are measured at the lower of cost and net realisable value.

General Service Board of Alcoholics Anonymous Australia  
 ABN 77 001 417 125  
 Notes to the Financial Statements  
 for the year ended 30 June 2018

**NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(e) Financial Instruments**

*Classification*

The company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the nature of the item and the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

*Held-to-maturity investments*

Held-to-maturity are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and the company intends to hold the investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest rate method.

*Financial liabilities*

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to Director-related entities.

Non-derivative financial liabilities are subsequently measured at amortised cost, comprising original debt less principal payments and amortisation.

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

**(f) Property, plant and equipment**

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

*Plant and equipment*

Plant and equipment is measured on the cost basis.

*Depreciation*

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

Class of fixed asset	Depreciation rates	Depreciation Basis
Leasehold improvements at cost	20%	Straight line
Furniture, fixtures and fittings at cost	8% - 25%	Straight line

General Service Board of Alcoholics Anonymous Australia  
ABN 77 001 417 125  
Notes to the Financial Statements  
for the year ended 30 June 2018

**NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(g) Intangibles**

*Website costs*

Website costs are initially recorded at the purchase price and then amortised on a straight line basis over the period of 3 years. The balances are reviewed annually and amounts written off to the extent the realisable future benefits are considered to be no longer probable.

Other intangible assets other than those acquired in a business combination are initially recorded at cost. Other intangible assets are amortised on a straight line basis over the period of 20 years. The balances are reviewed annually and amounts are written off to the extent the realisable future benefits are considered to be no longer probable.

**(h) Impairment of non-financial assets**

Assets are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired. An impairment loss is recognised when the carrying amount of an asset exceeds the asset's recoverable amount. Impairment losses in respect of individual assets are recognised immediately in profit or loss unless the asset is carried at a revalued amount such as property, plant and equipment, in which case the impairment loss is treated as a revaluation decrease in accordance with the applicable Standard.

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

**(i) Provisions**

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

**(j) Leases**

Lease are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership

*Operating leases*

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight line basis over the term of the lease.

Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

General Service Board of Alcoholics Anonymous Australia  
ABN 77 001 417 125  
Notes to the Financial Statements  
for the year ended 30 June 2018

**NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(k) Employment benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of salaries and wages, annual leave, accumulated sick leave and any other employee benefit (other than termination benefits) expected to be settled wholly before twelve months after the end of the annual reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave and accumulated sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

*(ii) Long-term employee benefit obligations*

The provision for other long-term employee benefits, including obligations for long service leave and annual leave which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future salary and wage levels, duration of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in the profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

**(l) Borrowing costs**

Borrowing costs including interest expense calculated using the effective interest method, finance charges in respect of finance leases, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost.

Borrowing costs are expenses as incurred.

**(m) Goods and Services Tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(n) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

General Service Board of Alcoholics Anonymous Australia

ABN 77 001 417 125

Notes to the Financial Statements  
for the year ended 30 June 2018

<b>NOTE 2: REVENUE AND OTHER INCOME</b>	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Sales revenue		
- Sale of goods	288,182	283,720
Total revenue from operating activities	<u>288,182</u>	<u>283,720</u>
Other Revenue		
- Interest income	2,143	1,795
- Donations and grants	266,631	245,348
- Conventions	77,856	-
- Other revenue	48,182	47,839
Total revenue from non-operating activities	<u>394,812</u>	<u>294,982</u>
Total revenue and other income	<u>682,994</u>	<u>578,702</u>
<b>NOTE 3: OPERATING SURPLUS</b>		
Surplus / (deficit) before income tax has been determined after:		
- Cost of Sales	142,712	132,307
- Depreciation	(18)	(1,375)
	<u>142,694</u>	<u>130,932</u>
<b>NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION</b>		
Compensation received by key management personnel of the company		
- short-term employee benefits	90,367	87,816
- Post-employment benefits	7,822	7,669
	<u>98,189</u>	<u>95,485</u>
<b>NOTE 5: CASH AND CASH EQUIVALENTS</b>		
Cash at bank and on hand	257,052	146,565
	<u>257,052</u>	<u>146,565</u>
<b>NOTE 6: RECEIVABLES</b>		
<b>CURRENT</b>		
Trade Debtors	34,304	35,980
impairment Loss	(11,191)	(11,191)
	<u>23,113</u>	<u>24,789</u>
Other Debtors and deposits	-	1,773
Loans to Regions	2,334	2,400
	<u>25,447</u>	<u>26,962</u>
<b>NON CURRENT</b>		
Amount receivable from:		
- director related parties	8	14,708
- other related body corporates	10,000	20,000
	<u>10,008</u>	<u>34,708</u>
	<u>10,008</u>	<u>34,708</u>

General Service Board of Alcoholics Anonymous Australia  
 ABN 77 001 417 125  
 Notes to the Financial Statements  
 for the year ended 30 June 2018

NOTE 7: INVENTORIES	2018	2017
	\$	\$
CURRENT		
<i>At Cost</i>		
Finished goods - at cost	164,553	127,069
Provision for impairment	(8,243)	(6,291)
	<u>156,310</u>	<u>120,778</u>

**NOTE 8: OTHER FINANCIAL ASSETS**

CURRENT		
<i>Held to maturity financial assets</i>		
Term Deposit	93,684	191,747
	<u>93,684</u>	<u>191,747</u>

The term deposit has an interest rate of 1.70% p a and a maturity date of 12th September 2018

**NOTE 9: PROPERTY, PLANT AND EQUIPMENT**

<b>Leasehold improvements</b>		
<i>At cost</i>	23,026	23,026
Less: accumulated depreciation	(23,026)	(23,026)
	<u>-</u>	<u>-</u>
<b>Plant and equipment</b>		
<i>Furniture, fixtures and fittings at cost</i>	12,553	12,553
Less: accumulated depreciation	(12,553)	(12,535)
	<u>-</u>	<u>18</u>
<b>Total Property, plant and equipment</b>	<u>-</u>	<u>18</u>

**(a) Reconciliations**

<i>Leasehold improvements</i>		
Opening carrying amount	-	2,783
Less: amortisation expense	-	(2,783)
Closing carrying amount	<u>-</u>	<u>-</u>
<i>Furniture, fixtures and fittings</i>		
Opening carrying amount	18	1,393
Less: disposal	-	-
Less: depreciation expense	(18)	(1,375)
Closing carrying amount	<u>-</u>	<u>18</u>

**NOTE 10: INTANGIBLE ASSETS**

Website costs - at cost	28,019	28,019
Less: accumulated depreciation	(28,019)	(28,019)
	<u>-</u>	<u>-</u>

**NOTE 11: OTHER ASSETS**

CURRENT		
Prepayments	23,479	13,136
Other current assets	-	11,556
	<u>23,479</u>	<u>24,694</u>

General Service Board of Alcoholics Anonymous Australia  
 ABN 77 001 417 125  
 Notes to the Financial Statements  
 for the year ended 30 June 2018

NOTE 12: PAYABLES	2018	2017
	\$	\$
CURRENT		
<i>Unsecured liabilities</i>		
Trade Creditors	23,718	17,340
Sundry creditors and accruals	39,521	90,369
	<u>63,239</u>	<u>107,709</u>

**NOTE 13: PROVISIONS**

CURRENT		
Employee benefits	(a) 5,630	4,039
	<u>5,630</u>	<u>4,039</u>
NON CURRENT		
Employee benefits	(a) 82,702	69,511
	<u>82,702</u>	<u>69,511</u>
(a) Aggregate employee benefits liability	<u>88,332</u>	<u>73,550</u>

**NOTE 14: RETAINED SURPLUS**

Retained Surplus at beginning of year	366,213	505,070
Surplus / (deficit)	48,196	(138,857)
	<u>414,409</u>	<u>366,213</u>

**NOTE 15: CASH FLOW INFORMATION**

<b>Reconciliation of cash flows from operating activities with profit after income tax</b>		
Profit after income tax	48,196	(138,857)
Non-cash flows in profit		
- depreciation and amortisation	18	4,158
- bad and doubtful debts	101	(45)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
- (increase) / decrease in trade and other receivables	28,114	17,868
- (increase) / decrease in other assets	(10,341)	(9,643)
- (increase) / decrease in inventories	(35,532)	24,403
- increase / (decrease) in trade and other payables	363	20,076
- increase / (decrease) in tax liabilities	(33,277)	41,796
- increase / (decrease) in provision	14,782	19,201
Net cash provided by operating activities	<u>12,424</u>	<u>(21,043)</u>

**NOTE 16: RELATED PARTY TRANSACTIONS**

(a) Apart from the loans to regions, there were no related party transactions during the year

(b) No Directors received remuneration during the year

**NOTE 17: CAPITAL AND LEASING COMMITMENTS**

(a) Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payables		
- no later than one year	-	14,826
- later than one year and no later than five years	-	-
	<u>-</u>	<u>14,826</u>

The lease agreement on the premises is currently on a month by month basis until a new lease agreement is signed.



General Service Board of Alcoholics Anonymous Australia  
ABN 77 001 417 125

Independent Audit Report  
to the members of  
General Service Board of Alcoholics Anonymous Australia

## Report on the Audit of the Financial Report

### Opinion

I have audited the financial report of General Service Board of Alcoholics Anonymous Australia (the Entity), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In my opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Entity's financial position as at 30 June 2018 and of its financial performance for the year ended; and
- (ii) complying with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Entity in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

---

**Responsibilities of Management and Those Charged with Governance**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the management determines is necessary to enable the preparation of the 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 management is responsible for assessing the the 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 management either intends to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Report**

My 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 my 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.

.....  
Graeme Kay – Registered Company Auditor  
77/192 Vimiera Road, Marsfield NSW 2122

Dated this ..... day of ..... 2018

**DISCLAIMER**  
**TO THE GENERAL SERVICE BOARD OF ALCOHOLICS ANONYMOUS AUSTRALIA**

I have compiled the accompanying additional information of General Service Board of Alcoholics Anonymous Australia for the financial year ended 30 June 2018, as presented on pages 20-21. The additional information has been prepared to satisfy the information needs of the Directors of General Service Board of Alcoholics Anonymous Australia in accordance with the Accounting Policies adopted in the preparation of the annual financial statements of General Service Board of Alcoholics Anonymous Australia for the financial year ended 30 June 2018 as described in Note 1 to those financial statements.

*The Responsibility of the Directors*

The Directors of General Service Board of Alcoholics Anonymous Australia are solely responsible for the form and content of the additional information, the reliability, accuracy and completeness of the information used to compile it and for the determination that the basis of accounting used for its preparation is appropriate to meet their needs and appropriate for the purpose that the additional information was prepared.

*My Responsibility*

On the basis of information provided to me by management, I have compiled the accompanying additional information in accordance with the basis of accounting described above and *APES 315 Compilation of Financial Information*.

I have applied my professional expertise in accounting and financial reporting to compile the additional information in accordance with the basis of accounting described above. I have complied with the relevant ethical requirements of *APES 110 Code of Ethics for Professional Accountants*.

*Assurance Disclaimer*

Since a compilation engagement is not an assurance engagement I am not required to verify the reliability, accuracy or completeness of the information provided to me by management to compile the additional information or the appropriateness of the basis of accounting used for its preparation. Accordingly, I do not express an audit opinion or a review conclusion on the additional information.

The additional information was compiled exclusively for the benefit of the management and the Directors of General Service Board of Alcoholics Anonymous Australia. The additional information may not be suitable for other purposes. I do not accept responsibility for the contents of the additional information.

.....  
Graeme S Kay – Registered Company Auditor  
77/192 Vimiera Road, Marsfield NSW 2122

Dated this.....day of ..... 2018

General Service Board of Alcoholics Anonymous Australia  
ABN 77 001 417 125

Additional Information  
for the year ended 30 June 2018

Private information for the Directors  
On the 2018 Financial Statements

	2018	2017
	\$	\$
<b>Income</b>		
Sale of Goods	288,182	283,720
<b>Less Cost of goods sold</b>		
Opening Inventory	120,778	145,181
Purchases / Materials used	178,244	107,904
	<u>299,022</u>	<u>253,085</u>
Less closing inventory	156,310	120,778
<b>Total cost of goods sold</b>	<u>142,712</u>	<u>132,307</u>
<b>Gross profit</b>	<u>145,470</u>	<u>151,413</u>
<b>Other operating income</b>		
Interest Income	2,143	5,763
Conference levies	48,182	43,871
Convention	77,856	-
Donations	266,631	245,348
<b>Total other operating income</b>	<u>394,812</u>	<u>294,982</u>
<b>Contribution Margin</b>	<u>540,282</u>	<u>446,395</u>
<b>Less Expenses</b>		
Audit and accountancy	(23,104)	(21,200)
Bad debts	(101)	45
Bank charges	(909)	(963)
Computer support	(954)	(2,070)
Conference / Seminar costs	(55,533)	(62,301)
Convention expenses	-	-
Depreciation and amortisation	(18)	(4,158)
Electricity and gas	(5,243)	(3,857)
Fringe benefit tax	-	(46,557)
General expenses	-	-
Holiday pay	(1,590)	7,941
Insurance expenses	(16,540)	(18,159)
Legal and trademark expenses	(38)	(5,719)
Long service leave	(13,191)	(27,143)
Meeting expenses	-	(1,000)
Office expenses	(9,516)	(11,587)
Postage and freight	(6,905)	(6,413)
Production costs	(4,961)	(4,186)
Public information expenses	(11,369)	(11,775)
Rent expenses	(40,662)	(45,995)
Repairs and maintenance	(709)	(555)
Salaries and wages	(234,124)	(231,688)
Subscriptions	(327)	-
Superannuation	(20,483)	(19,959)
Telephone	(6,385)	(6,163)
Travelling expenses	(39,404)	(46,942)
World service levy	-	(14,826)
	<u>(492,086)</u>	<u>(585,252)</u>
<b>Surplus / (deficit)</b>	48,196	(138,857)
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<u>48,196</u>	<u>(138,857)</u>

General Service Board of Alcoholics Anonymous Australia  
ABN 77 001 417 125

Additional Information  
for the year ended 30 June 2018

Private information for the Directors  
On the 2018 Financial Statements

	2018 \$	2017 \$
<b>NOTE 11: Other current assets</b>		
GST refundable	<u>-</u>	<u>11,556</u>
<b>NOTE 12: Sundry creditors and accruals</b>		
Collection due to others	22,445	15,680
FBT payable	-	46,557
GST Payable	1,724	-
PAYG withholding tax	3,776	16,587
Superannuation payable	1,576	1,545
Provision for audit	<u>10,000</u>	<u>10,000</u>
	<u>39,521</u>	<u>90,369</u>
<b>NOTE 13: Provisions</b>		
Current employee benefits		
Annual leave	<u>5,630</u>	<u>4,039</u>
	<u>5,630</u>	<u>4,039</u>
Non-current employee benefits		
Long service leave	<u>82,702</u>	<u>69,511</u>
	<u>82,702</u>	<u>69,511</u>

