

LINUX AUSTRALIA INC
56 987 117 479

FINANCIAL REPORT
FOR THE 12 MONTHS ENDED
30 SEPTEMBER 2015

Meagher Howard & Wright
Certified Practising Accountants
Suite 505
55 Grafton Street
BONDI JUNCTION NSW 2022

LINUX AUSTRALIA INC
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COMMITTEE'S REPORT

Your committee members submit the financial report of the Linux Australia Inc for the financial year ended 30 September 2015.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Joshua Hesketh
Tony Breeds
Sae Ra Germaine
Christopher Neugebauer
Joeh Stewart
James Iseppi
Craig McWhirter

Principal Activities

The principal activities of the association during the financial year were Linux Australia is the peak body for Linux User Groups (LUGs) around Australia, and as such represents approximately 5000 Australian Linux users and developers.

Significant Changes

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

Operating Result

The profit from ordinary activities after providing for income tax amounted to \$143,451.

Signed in accordance with a resolution of the Members of the Committee.

Committee Member: _____


Joshua Hesketh

Committee Member: _____


Tony Breeds

Dated this ~~25~~ day of January 2016

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INCOME STATEMENT
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2015

	2015	2014
Note	\$	\$
INCOME		
Conference Registrations	552,187	363,872
Interest Received	11,462	11,693
	<u>563,649</u>	<u>375,565</u>
OTHER INCOME		
Sponsorship - International	188,282	96,224
Sponsorship - Local	108,159	165,406
	<u>296,441</u>	<u>261,630</u>
	<u>860,090</u>	<u>637,195</u>

The accompanying notes form part of these financial statements.

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INCOME STATEMENT
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2015

	2015	2014
	\$	\$
Note		
EXPENDITURE		
Advertising & Promotion	479	4,694
AV and Network Equipment	39,735	26,216
Bank Charges	16,698	5,880
Conference Accommodation	69,785	22,013
Conference Dinner	36,994	33,500
Consultants & Accounting	7,038	12,816
Debrief Meeting	541	-
Donations	315	1,440
Events Management	30,141	32,959
Expenses Miniconfs	-	354
Face to Face	5,613	9,528
First Aid	252	3,159
Food & Drink	18,060	22,194
Foreign Exchange Gains/losses	(12,650)	1,594
Ghosts	7,558	17,407
Grants	14,227	3,939
Gifts & Presentations	2,516	1,671
Income Tax Expense	276	(3,396)
Insurance	6,711	6,070
Merchandise And Schwag	72,242	36,680
Motor Vehicle Expenses	205	23
NZ Tax	-	8
Office Expenses	1,644	454
Papers Committee	1,085	-
Partners Program	5,516	7,790
Petty Cash	942	217
Postage	3,047	2,597
Printing & Stationery	8,731	6,575
Purchases	-	2,337
Regional Delegates Program	-	8,823
Server	14,684	875
Speakers	55,381	59,399
Storage Rental	1,893	2,303
Sponsorship	46	5,752
Third Party Training	387	5,246
Subscriptions	450	480
Telephone	2,507	608
Travelling Expenses	27,566	20,705
Venue Hire	275,993	284,060

The accompanying notes form part of these financial statements.

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INCOME STATEMENT
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2015

	Note	2015 \$	2014 \$
Zookeeper Hackfest		31	-
		<u>716,639</u>	<u>646,970</u>
Profit (Loss) before income tax		143,451	(9,775)
Profit (Loss) for the year		143,451	(9,775)
Retained earnings at the beginning of the financial year		<u>372,873</u>	<u>382,648</u>
Retained earnings at the end of the financial year		<u>516,324</u>	<u>372,873</u>

The accompanying notes form part of these financial statements.

LINUX AUSTRALIA INC
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BALANCE SHEET
AS AT 30 SEPTEMBER 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	586,134	358,520
Trade and other receivables	4	10,029	77,930
Prepayments		45,068	35,011
TOTAL CURRENT ASSETS		<u>641,231</u>	<u>471,461</u>
TOTAL ASSETS		<u>641,231</u>	<u>471,461</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	5	124,907	98,588
TOTAL CURRENT LIABILITIES		<u>124,907</u>	<u>98,588</u>
TOTAL LIABILITIES		<u>124,907</u>	<u>98,588</u>
NET ASSETS		<u>516,324</u>	<u>372,873</u>
MEMBERS' FUNDS			
Retained earnings	6	516,324	372,873
TOTAL MEMBERS' FUNDS		<u>516,324</u>	<u>372,873</u>

The accompanying notes form part of these financial statements.

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CASH FLOW STATEMENT
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2015

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,024,206	806,936
Payments to suppliers and employees	(808,054)	(856,847)
Interest received	11,462	11,855
Net cash provided by (used in) operating activities	<u>227,614</u>	<u>(38,256)</u>
Net increase (decrease) in cash held	227,614	(38,256)
Cash at beginning of financial year	358,520	396,775
Cash at end of financial year	<u>586,134</u>	<u>358,519</u>

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2015

The financial statements cover Linux Australia Inc as an individual entity. Linux Australia Inc is a not for profit Association incorporated in New South Wales under the Associations Incorporation Act 2009.

The functional and presentation currency of Linux Australia Inc is Australian dollars.

1 Basis of Preparation

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, 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 and AASB 1054 Australian Additional Disclosures.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods 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 non current assets, financial assets and financial liabilities.

2 Summary of Significant Accounting Policies

Impairment of Non-Financial Assets

At the end of each reporting period the association 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 assets 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2015

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

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

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015	2014
	\$	\$
3 Cash and Cash Equivalents		
Paypal	146	1
Primary	51,379	2,069
Savings	109,481	77,567
Term Deposit	190,979	184,879
Wordcamp	32,601	338
Debit Card	1,878	293
Linux.conf.au 2011	5,265	4,625
LCA2010 Interest Bearing	42,753	3,873
LCA2010 Cheque	172	31,301
Drupal Down Under	36,933	23,332
DDU2012	9,201	2,244
GoldCoast Wordcamp	28,173	6,221
LCA2012	5,483	877
Reserve Bonus	71,490	2,154
Drupal - South Wellington	200	18,746
	<u>586,134</u>	<u>358,520</u>
4 Trade and Other Receivables		
Current		
Other Debtors	909	909
Trade Debtors	9,120	77,021
	<u>10,029</u>	<u>77,930</u>
5 Accounts Payable and Other Payables		
Current		
Trade Creditors	6,631	25,713
Prepaid Conference Fees	96,173	63,782
Accrued Expenses	139	-
GST on Supplies	21,964	9,093
	<u>124,907</u>	<u>98,588</u>

LINUX AUSTRALIA INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015	2014
	\$	\$
<hr/>		
6 Retained Earnings		
Retained earnings at the beginning of the financial year	372,873	382,648
Net profit (Net loss) attributable to the association	<u>143,451</u>	<u>(9,775)</u>
Retained earnings at the end of the financial year	<u>516,324</u>	<u>372,873</u>

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STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association 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.

In the opinion of the committee the financial statements as set out on pages 1 to 10:

1. Presents a true and fair view of the financial position of Linux Australia Inc as at 30 September 2015 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Linux Australia Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President:



Joshua Hesketh

Secretary:



Tony Breeds

Dated this ³¹26 day of January 2016

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MEAGHER, HOWARD & WRIGHT
CERTIFIED PRACTISING ACCOUNTANTS
ABN 42 664 097 441

PARTNERS
K.J. WRIGHT J.P. M.COMM. F.C.P.A
G. MIDDLETON B.COMM. ACA

FINANCIAL PLANNING
MARK MAYCOCK

ASSOCIATE
L.J. HOWARD O.A.M. J.P. B Ec. F.C.P.A.

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LINUX AUSTRALIA INC
56 987 117 479**

Report on the Financial Report

I have audited the accompanying financial report of Linux Australia Inc (the association) which comprises the statement of financial position as at 30 September 2015 and the statement of comprehensive income and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory information and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2009 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 amounts 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 committee, as well as evaluating the overall presentation of the financial report.

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

Auditor's Opinion

In my opinion:

The financial report of Linux Australia Inc is in accordance with the Associations Incorporation Act 2009 including:

- (i) giving a true and fair view of the Association's financial position as at 30 September 2015 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards.

Name of Firm: Meagher Howard & Wright
Certified Practising Accountants

Name of Director:



Greg Middleton ICAA 24953

Address: Suite 505, 55 Grafton Street BONDI JUNCTION NSW 2022

Dated this 31st day of January 2016

LINUX AUSTRALIA INC
56 987 117 479

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Joshua Hesketh and I, Tony Breeds certify that:

- (a) We are members of the committee of Linux Australia Inc.
- (b) We attended the annual general meeting of the association held on 01/02/16.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) This annual statement was submitted to the members of the association at its annual general meeting.

Committee Member: _____
Joshua Hesketh

Committee Member: _____
Tony Breeds

Dated this 28 day of January 2016