

WAJARRI ENTERPRISES LIMITED

ABN: 44 631 275 968

**FINANCIAL REPORT FOR THE
PERIOD 29 JANUARY 2019 TO 30 JUNE 2019**

WAJARRI ENTERPRISES LIMITED
ABN: 44 631 275 968

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WAJARRI ENTERPRISES LIMITED
ABN: 44 631 275 968

DIRECTORS' REPORT FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019

The Directors present their report on the Wajarri Enterprises Limited (the "Company") for the period ended 29 January 2019 to 30 June 2019.

Directors

The names of the Directors in office at any time during or since the period 29 January 2019 to 30 June 2019 are as follows:

Jennylyn Hamlett	(appointed 29 January 2019)
Juliet Jones	(appointed 29 January 2019)
Dwayne Mallard	(appointed 29 January 2019)
Daryl Smtih	(appointed 29 January 2019)

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

Company Secretary

The company secretary in office during or since the period 29 January 2019 to 30 June 2019 is Madelaine Fisher who was appointed on 29 January 2019.

Principal Activities

The Company was established on 29 January 2019, with a purpose to:

- a) Alleviate poverty and disadvantage of Aboriginal people through the growth, establishment and operation of Aboriginal owned or operated businesses in the Region, particularly the WY People;
- b) Promote, support and sponsor the endeavours of Aboriginal organisations, groups, enterprises and individuals (especially the WY People), towards social, cultural and economic development;
- c) Facilitate, assist and encourage the creation of economic independence for Aboriginal persons, particularly the WY People;
- d) Provide direct programs and services to increase the capacity of Aboriginal persons, particularly the WY People, to participate in local and regional economic activities, including the Company's
- e) Provide and maintain local enterprises that deliver services to or provide employment and training opportunities for local communities, particularly the WY People;
- f) Actively support and encourage the acquisition or creation of local enterprises operated by the Company for disposal to the WY People and other Aboriginal on a commercial, transparent, arms-
- g) To acquire, hold title or other interest in, encumber, deal in, develop and manage land, buildings, plant, equipment and other assets for the benefit of Aboriginal people, particularly the WY People.

No significant change in the nature of these activities occurred during the period with 29 January 2019 to 30 June 2019.

Operating and Financial Review

The financial report for the period ended 29 January 2019 to 30 June 2019 and the results herein, is prepared in accordance with Australian Accounting Standards, to the extent described in Note 2.

The deficit attributable to the beneficiaries for the period 29 January 2019 to 30 June 2019 was \$13,508.

A key reason for the current year's deficit is due to set up costs of the Company.

The Company is not subject to income tax.

Other than noted above, there were no significant changes in the state of affairs of the Company during the period ended 29 January 2019 to 30 June 2019.

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DIRECTORS' REPORT FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019 (CONTINUED)

Events Subsequent to Reporting Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Company the results of those operations, or the state of affairs of the Company in future financial years.

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



Name:

Position:

Dated at Perth this 23 day of December 2019

WAJARRI ENTERPRISES LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019

	Note	29-Jan-19 to 30-Jun-19 \$
Revenue		
Funding received	3	18,659
		<hr/>
		18,659
		<hr/>
Less: Operating Expenses		
Administrative expenses	4	19,348
Directors' fees and superannuation (see Note 5)	5	12,819
		<hr/>
		32,167
		<hr/>
Net (Deficit)/Surplus for the Year		(13,508)
		<hr/>
Other comprehensive income for the year, net of income tax		-
		<hr/>
Total Comprehensive (Deficit)/Income for the Year		(13,508)
		<hr/>

The accompanying notes form an integral part of the financial statements.

WAJARRI ENTERPRISES LIMITED
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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$
Current Assets		
Cash and cash equivalents		-
		-
		-
Total Assets		-
Current Liabilities		
interentity payable	7	13,508
		13,508
Total Liabilities		13,508
Net Liability		(13,508)
Beneficiary Companys		
Issued capital		-
Accumulated losses		(13,508)
Total Beneficiary Companys		(13,508)

The accompanying notes form an integral part of the financial statements.

WAJARRI ENTERPRISES LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019

	Accumulated Losses \$
At 29 January 2019	-
Deficit attributable to beneficiaries of the entity	(13,508)
Total other comprehensive income for the year	-
At 30 June 2019	<u>(13,508)</u>

The accompanying notes form an integral part of the financial statements.

WAJARRI ENTERPRISES LIMITED
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STATEMENT OF CASH FLOWS
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019

	Note	29-Jan-19 to 30-Jun-19 \$
Cash Flows from Operating Activities		
Funding from related party		18,659
Payments to suppliers and employees		(32,167)
Net Cash used in Operating Activities	8	(13,508)
Cash Flows from Financing Activities		
Advances from related parties		13,508
Net Cash from Financing Activities		13,508
Net increase/(decrease) in cash and cash equivalents		-
Cash and cash equivalents at the beginning of the period		-
Cash and Cash Equivalents at the End of the Year		-

The accompanying notes form an integral part of the financial statements.

WAJARRI ENTERPRISES LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019

1. Reporting Entity

This financial report covers Wajarri Enterprises Limited a (the "Company") as an individual entity, incorporated and domiciled in Australia on 29 January 2019. Wajarri Enterprises Limited is a company limited by guarantee.

2. Significant Accounting Policies

Statement of Compliance

The financial report has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and Interpretations and other mandatory professional requirements in Australia.

The financial report is for the period since incorporation being 29 January 2019 to 30 June 2019.

The financial report complies with the Australian Accounting Standards, issued by the by the Australian Accounting Standards Board ('AASB') as disclosed in the basis of preparation below.

Basis of Preparation

In the opinion of the Directors the Company is not a reporting entity. The financial report has been drawn up as a special purpose financial report for distribution to the members of the Company and to meet the requirements of the *Australian Charities and Not-for-Profit Commission Act 2012*. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared in accordance with the recognition and measurement requirements (but not all disclosure requirements) of Australian Accounting Standards adopted by the Australian Accounting Standards Board.

The financial statements have been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Going Concern

The financial statements have been prepared on the basis of going concern, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 30 June 2019, the Company had net liabilities of \$13,508.

Subsequent to year end the directors received confirmation from Meenangu Wajarri Aboriginal Corporation that they will not call the related party loan of \$13,508 owed to them until such time that Wajarri Enterprises Limited are in a position to repay this loan.

Wajarri Enterprises Limited received a letter of support from its members which confirms ongoing financial support to the Company as and when required, subject to relevant expenditures being acquitted, with such support extended for at least twelve months from the date of signing this financial report.

Based on the letter of financial support, the Directors consider the going concern basis of preparation to be appropriate for this financial report.

a. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

WAJARRI ENTERPRISES LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019 (CONTINUED)

2. Significant Accounting Policies (Continued)

a. Financial Instruments (Continued)

Classification and Subsequent Measurement

(i) Financial liabilities

Financial liabilities are subsequently measured at either fair value through profit and loss, or amortised cost using the effective interest rate method.

A financial liability is measured at either: fair value through profit and loss if the financial liability is held for trading, or is initially designated as at fair value through profit and loss. A financial liability is held for trading if it is incurred for the purpose of repurchasing or repaying in the near term, is part of a portfolio where there is an actual pattern of short-term profit taking, or is a derivative financial instrument.

(i) Financial liabilities (continued)

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

(ii) Financial assets

Financial assets are subsequently measured at either fair value through profit and loss or other comprehensive income, or amortised cost using the effective interest rate method.

A financial asset is subsequently measured at amortised cost if the financial asset is managed solely to collect contractual cash flows, and the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates, and the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

All other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss except for equity instruments which can be measured at fair value through other comprehensive income.

All other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss except for equity instruments which can be measured at fair value through other comprehensive income.

Equity and Fixed Income Securities

Equity and other fixed income securities are non-derivative financial assets which are measured at fair value through profit or loss. This classification is irrevocable until these assets are recognised. Where available, fair value for these securities are determined by reference to quoted prices in an active market.

Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Trade and other receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period, which remain unpaid.

Trade and other payables are recognised initially at fair value plus transaction cost. Subsequent to initial recognition trade and other payables are measured at amortised cost, using the effective interest method. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019 (CONTINUED)

2. Significant Accounting Policies (Continued)

a. Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

(i) Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(ii) Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred, and the Company no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Impairment

The Company recognises a loss allowance for expected credit losses on: financial assets that are measured at amortised cost or fair value through other comprehensive income.

Loss allowance is not recognised for: financial assets measured at fair value through profit or loss, and equity instruments measured at fair value through other comprehensive income.

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

b. Impairment of Non-Financial Assets

At the end of each reporting period, the Company assesses whether there is any indication that a non-financial asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019 (CONTINUED)

2. Significant Accounting Policies (Continued)

c. 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 benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

d. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, debit card facilities and cash held with custodian Company's.

e. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Other revenue and donations are recognised at the date on which the right to receive the revenue arises.

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

f. Goods and Services Tax (GST)

Revenues, expenses and 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.

g. Tax Concession Status

The Company is a Charitable institution and as such has been granted an Income Tax Exemption from 7 May 2019.

h. Adoption of new and revised accounting standards

Standards and Interpretations applicable to 30 June 2019

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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company. The following Accounting Standards and Interpretations are most relevant to the Company:

AASB 9 Financial Instruments

AASB 9 includes requirements for the classification and measurement of financial assets and incorporates amendments to the accounting for financial liabilities and hedge accounting rules to remove the quantitative hedge effectiveness tests and have been replaced with a business model test. AASB 9 improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The Company's main financial instruments are trade payables, therefore the application of AASB 9 did not have a material impact on the financial report.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019 (CONTINUED)

2. Significant Accounting Policies (Continued)

i. Standards and Interpretations in issue not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods and have not been early adopted by the Company. The Company assessment of the impact of these new standards and interpretations is set out below.

AASB 16 Leases

AASB 16 replaces the existing guidance in AASB 117 Leases. For lessees, all leases other than short term leases and low value leases will be recognised on the balance sheet. The new standard will be effective for annual reporting periods commencing on or after 1 January 2019, will early adoption permitted. The standard is not applicable until finance reporting period beginning on or after 1 January 2019. The standard will see all leases, held by a lessee, record obligations as a liability and corresponding right of use asset, both current and non-current for the term of the lease.

At reporting date, the Company had no material non-cancellable operating lease commitments. The Company does not have any activities as a lessor either and hence there will not be any impact on the financial statements in this regard.

AASB 15 Contracts with Customers & AASB 1058 Income for Not-For-Profit Entities

AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application. AASB 15 is mandatory for financial years commencing on or after 1 January 2018 (1 January 2019 for Not-For-Profit entities). In addition, the AASB issued a new standard AASB 1058 Income of Not-For-Profit Entities. AASB 1058 provides additional implementation guidance on applying the principles in AASB 15 to Not-For-Profit entities as well as replacing the requirements in AASB 1004 Contributions. This Standard applies to annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted, provided entities also apply AASB 15 Revenue from Contracts with Customers to the same period.

Application of the standard is not required until the financial reporting period beginning on or after 1 January 2019. AASB 15 Contracts with Customers & AASB 1058 Income for Not-For-Profit Entities may have a material impact on the Company's financial report. Management is currently assessing the impact of AASB 15 and AASB 1058 on the various revenue and Company contracts.

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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019 (CONTINUED)

	29-Jan-19 to 30-Jun-19 \$
3. Revenue and Other Income	
<i>Funding Income</i>	
Funding from Meenangu Wajarri Aboriginal Corporation	18,659
Total Funding Income	<u>18,659</u>
Total Income	<u>18,659</u>
4. Administrative Expenses	
Legal fees	7,086
Meeting expenses	2,060
Travel and accommodation costs	10,202
Total Administrative Expenses	<u>19,348</u>
5. Key Management Personnel ("KMP") Compensation	
Jennylyn Hamlett Dwayne Mallard	
Juliet Jones Daryl Smith	
The totals of remuneration paid to the Directors and other members of KMP of the Company during the year are as follows:	
	29-Jan-19 to 30-Jun-19 \$
<i>Directors</i>	
Short-term employee benefits	12,225
Post-employment benefits	594
	<u>12,819</u>
6. Auditors' Remuneration	
Auditing or reviewing the financial report	<u>-</u>

The auditor of Winja Wajarri Barna Limited ATF Wajarri Yamatji Charitable Company is Armada Audit and Assurance Pty Ltd.

WAJARRI ENTERPRISES LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 29 JANUARY 2019 TO 30 JUNE 2019 (CONTINUED)

7. Interentity Balances	2019
	\$
Amounts due to related party (Meenangu Wajarri Aboriginal Corporation)*	13,508
	<u>13,508</u>

* The amounts due (to) Meenangu Wajarri Aboriginal Corporation ("MWAC") is unsecured, payable on demand and has no fixed terms of repayment. Interest is payable at 0% and monthly principal and interest repayments are not made.

Subsequent to 30 June 2019 Meenangu Wajarri Aboriginal Corporation has confirmed that the loan will not be called for repayment unless the Company has sufficient cash flow to repay the loan.

	2019
	\$
Movements in Amounts due to MWAC	
Beginning of the period	-
Amounts advanced from MWAC	13,508
Repayments made to MWAC	-
End of the year	<u>13,508</u>

8. Cash Flow Information	2019
	\$
Reconciliation of Cash Flow from Operations with (Deficit)/Surplus for the Year	
Surplus/(Deficit) for the year	(13,508)
Changes in assets and liabilities:	
(Increase) in receivables	-
Increase in payables	-
	<u>(13,508)</u>

9. Events After the Reporting Period

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly

10. Company Details

The registered office of the Company is:

Wajarri Enterprises Limited
C/- Nexia Perth
Level 3, 88 Williams Street
Perth WA 6000

The principal place of business of the Company is:

Wajarri Enterprises Limited
70 Forrest Street
Geraldton WA 6530

WAJARRI ENTERPRISES LIMITED
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DIRECTORS' DECLARATION OF THE COMPANY

In the opinion of the Directors of Wajarri Enterprises Limited :

- (a) The Company is not a reporting entity;
- (b) The financial statements and notes thereto, set out on pages 5 to 15, are drawn up in accordance with the basis of accounting described in Note 2, so as to present fairly the financial position of the Company as at 30 June 2019 and its performance as represented by the results of its operations, for the period 29 January 2019 to 30 June 2019; and
- (c) 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:



Name:

Position:

Dated at Perth this 23 day of December 2019