



BALLARAT NEIGHBOURHOOD CENTRE
79 868 780 589

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2017**

**Liability limited by a scheme approved under
Professional Standards Legislation**

BALLARAT NEIGHBOURHOOD CENTRE
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COMMITTEE'S REPORT

Your committee members submit the financial report of the Ballarat Neighbourhood Centre for the financial year ended 31 December 2017.

Committee Members

The name of each member of the committee during the year and if different, at the date of the report;

Stephen Monkman
Rose Young
Sharryn Francis
Corina Kozaris
David Carter
Kathy Steenhuis
Allan Jubber
Janet Wraith

Principal Activities

The principal activities of the association during the financial year were:

Significant Changes

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

Operating Result

The loss of the association after providing for income tax amounted to \$(79,554.47).

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

Committee Member: _____

Stephen Monkman

Committee Member: _____

Rose Young Allan Jubber

Dated this

17

day of

April 2018

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
INCOME			
Community Activities		6,083.60	11,432.99
Facilities Hire		24,437.73	18,912.49
Student Fees		8,079.00	7,230.00
Professional Services		57,829.29	86,473.53
Grants Received		555,221.47	617,779.34
Interest Received		193.84	121.25
		<u>651,844.93</u>	<u>741,949.60</u>
OTHER INCOME			
Miscellaneous Income		2,049.46	507.33
		<u>653,894.39</u>	<u>742,456.93</u>



**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
EXPENDITURE			
Accountancy		430.00	245.00
Audit Fees		900.00	3,960.00
Advertising & Promotion		17,063.61	17,545.88
Annual Leave Expense		(8,450.35)	5,682.02
Bank Charges		247.20	248.40
Cleaning		2,190.55	2,190.54
Client Support Service		21,051.30	5,280.38
COM Governance Expenses		326.72	403.68
Computer Maintenance and Software		9,430.14	9,377.94
Depreciation		4,032.00	5,754.00
Assets Purchased <\$1000		1,086.36	2,083.59
Donations		-	41.15
Electricity & Gas		3,069.09	3,072.00
Entertainment		-	1,043.64
Health & Safety		1,336.00	679.50
Hire of Copier		3,636.36	3,636.36
Insurance		2,371.42	1,046.82
Long Service Leave Expense		5,380.45	(1,820.03)
Meeting Expenses		676.66	1,316.17
Management Fees		28,310.37	9,710.15
Postage		447.96	382.74
Printing & Stationery		4,538.94	3,874.38
Rent		27,002.73	25,425.90
Repairs & Maintenance		614.32	11,568.62
Recruitment Expenses		275.00	576.00
Salaries		508,101.92	454,756.26
Education Contractor		17,024.93	19,208.64
Staff Amenities		1,730.04	1,800.06
Staff Training		3,516.40	10,284.59
Subscriptions & Memberships		4,096.96	3,781.44
Superannuation		44,456.87	42,309.89
Sundry and Other Expenses		1,484.24	566.13
Telephone & Internet		7,590.32	6,137.45
Travelling Expenses		498.94	10,011.59
Work for the Dole Project		20,270.45	14,343.54
Workcover		3,749.87	5,000.94
		<u>738,487.77</u>	<u>681,525.36</u>

The accompanying notes form part of these financial statements.

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
(Loss) Profit before income tax		(84,593.38)	60,931.57
(Loss) Profit for the year		(84,593.38)	60,931.57
Retained earnings at the beginning of the financial year		190,253.80	129,322.23
Retained earnings at the end of the financial year		105,660.42	190,253.80

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BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 \$	2016 \$
ASSETS			
Cash and cash equivalents	3	266,437.46	233,985.39
Trade and other receivables	4	19,883.04	65,584.98
TOTAL CURRENT ASSETS		<u>286,320.50</u>	<u>299,570.37</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,012.21	10,044.21
TOTAL NON-CURRENT ASSETS		<u>6,012.21</u>	<u>10,044.21</u>
TOTAL ASSETS		<u>292,332.71</u>	<u>309,614.58</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	6	89,113.38	78,539.73
Borrowings	7	83,773.91	32,416.50
Employee benefits	8	13,785.00	8,404.55
TOTAL CURRENT LIABILITIES		<u>186,672.29</u>	<u>119,360.78</u>
TOTAL LIABILITIES		<u>186,672.29</u>	<u>119,360.78</u>
NET ASSETS		<u>(105,660.42)</u>	<u>(190,253.80)</u>
MEMBERS' FUNDS			
Retained earnings	9	105,660.42	190,253.80
TOTAL MEMBERS' FUNDS		<u>105,660.42</u>	<u>190,253.80</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

The financial statements cover Ballarat Neighbourhood Centre as an individual entity. Ballarat Neighbourhood Centre is a not for profit Association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

The principal activities of the Association for the year ended 31 December 2017 were .

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The committee has determined that the association is not a reporting entity.

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.

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.

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 following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

2 Summary of Significant Accounting Policies

Plant and Equipment

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

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight line basis over the assets useful life to the association, commencing when the asset is ready for use.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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.

Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Provisions

Provisions are recognised when the association 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.

Cash and Cash Equivalents

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 \$	2016 \$
3 Cash and Cash Equivalents		
NAB - Cheque Account	10,331.38	136,008.99
ANZ - Cheque Account	61,365.22	76,761.50
CBA - Cheque Account	183,904.06	21,000.00
Petty Cash	43.00	137.70
Undeposited Funds	10,655.80	77.20
Sundry Clearing Account	138.00	-
	<u>266,437.46</u>	<u>233,985.39</u>
4 Trade and Other Receivables		
Current		
Trade Debtors	<u>19,883.04</u>	<u>65,584.98</u>
	<u>19,883.04</u>	<u>65,584.98</u>
5 Property, Plant and Equipment		
Plant & Equipment - at Cost	57,546.21	57,546.21
Less Prov'n for Depreciation	<u>(51,534.00)</u>	<u>(47,502.00)</u>
	6,012.21	10,044.21
Total Plant and Equipment	<u>6,012.21</u>	<u>10,044.21</u>
Total Property, Plant and Equipment	<u>6,012.21</u>	<u>10,044.21</u>
6 Accounts Payable and Other Payables		
Current		
Coles Mastercard	442.11	-
Trade Creditors	5,153.82	13,076.48
GST Liability	3,766.55	17,927.70
PAYG Liability	27,817.54	12,141.54
Superannuation Payable	24,989.70	-
Provision for Holiday Pay	<u>26,943.66</u>	<u>35,394.01</u>
	<u>89,113.38</u>	<u>78,539.73</u>

BALLARAT NEIGHBOURHOOD CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 \$	2016 \$
7 Borrowings		
Current		
Funding Rec'd in Advance	<u>83,773.91</u>	<u>32,416.50</u>
Total borrowings	4 <u>83,773.91</u>	4 <u>32,416.50</u>
8 Employee Benefits		
Current		
Prov'n for Long Service Leave	<u>13,785.00</u>	<u>8,404.55</u>
9 Retained Earnings		
Retained earnings at the beginning of the financial year	190,253.80	129,322.23
(Net loss) Net profit attributable to the association	<u>(84,593.38)</u>	<u>60,931.57</u>
Retained earnings at the end of the financial year	<u>105,660.42</u>	<u>190,253.80</u>

STATEMENT BY MEMBERS OF THE COMMITTEE

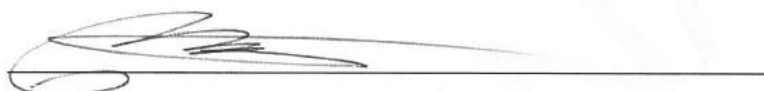
The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

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

1. Presents a true and fair view of the financial position of Ballarat Neighbourhood Centre as at 31 December 2017 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Ballarat Neighbourhood Centre 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:

A handwritten signature in black ink, appearing to be 'John', written over a horizontal line.

Treasurer:

A handwritten signature in black ink, appearing to be 'John', written over a horizontal line.

Dated this 17 day of April 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALLARAT NEIGHBOURHOOD CENTRE
79 868 780 589**

Report on the Audit of the Financial Report

Qualified Opinion

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the association in accordance with the auditor independence requirements of 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 our opinion.

Emphasis of Matter- Basis of Accounting

I draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the association in ENTER THE APPLICABLE COMPLIANCE REQUIREMENT IN NTD > OTHER REPORTS > AUDITREPORT > AUDIT COMPLIANCE REQUIREMENT. As a result, the financial report may not be suitable for another purpose. My report is intended solely for the association and should not be distributed to or used by parties other than the association. My opinion is not modified in respect to this matter.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Reform Act 2012 and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the association'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 management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

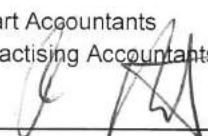
Those charged with governance are responsible for overseeing the association's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALLARAT NEIGHBOURHOOD CENTRE
79 868 780 589**

Auditor's Responsibility 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

Name of Firm: Richard Start Accountants
Certified Practising Accountants

Name of Director: 
Richard Start

Address: 9 Creswick Road, Ballarat Vic 3350

Dated this **day of**

BALLARAT NEIGHBOURHOOD CENTRE
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CERTIFICATE BY MEMBERS OF THE COMMITTEE

Annual Statements Give True and Fair View of Financial Position of Incorporated Association

I, , being a member of the Committee of Ballarat Neighbourhood Centre certify that:

The statements attached to this certificate give a true and fair view of the financial position of the Ballarat Neighbourhood Centre during and at the end of the financial year of the association ending on 31 December 2017.

Dated this 17 day of APR

Committee Member: A W Jull



Ballarat South Community Hub. Tuppen Dve, Sebastopol
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www.ballaratnc.org.au