

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

Financial Statements

For the Year Ended 30 June 2017

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

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For the Year Ended 30 June 2017

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Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

Statement of Comprehensive Income**For the Year Ended 30 June 2017**

		2017	2016
	Note	\$	\$
Revenue	2	543,779	453,158
Employee benefits expense		(343,836)	(303,330)
Depreciation expense		(12,764)	(15,111)
Program costs		(87,825)	(34,986)
Other expenses		(93,872)	(82,178)
Surplus before income tax		5,482	17,553
Income tax expense	1(f)	-	-
Surplus for the year		5,482	17,553
Other comprehensive income		-	-
Total comprehensive income for the year		5,482	17,553

The accompanying notes form part of these financial statements.

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

Statement of Financial Position

30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	350,921	277,230
Trade and other receivables	4	885	8,387
TOTAL CURRENT ASSETS		351,806	285,617
NON-CURRENT ASSETS			
Plant and equipment	5	56,283	72,901
TOTAL NON-CURRENT ASSETS		56,283	72,901
TOTAL ASSETS		408,089	358,518
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	39,030	61,708
Borrowings	7	-	1,870
Provisions	8	30,186	19,328
Other liabilities	9	199,689	141,910
TOTAL CURRENT LIABILITIES		268,905	224,816
TOTAL LIABILITIES		268,905	224,816
NET ASSETS		139,184	133,702
EQUITY			
Retained surplus		139,184	133,702
TOTAL EQUITY		139,184	133,702

The accompanying notes form part of these financial statements.

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Retained surplus	Total
	\$	\$
Balance at 1 July 2016	133,702	133,702
Surplus for the year	5,482	5,482
Balance at 30 June 2017	139,184	139,184

2016

	Retained surplus	Total
	\$	\$
Balance at 1 July 2015	116,149	116,149
Surplus for the year	17,553	17,553
Balance at 30 June 2016	133,702	133,702

The accompanying notes form part of these financial statements.

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

Statement of Cash Flows
For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from government and communities	604,889	484,558
Payments to suppliers, employees and communities	(534,617)	(389,316)
Interest received	3,793	3,469
Net cash provided by operating activities	<u>74,065</u>	<u>98,711</u>
10		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(33,623)
Proceeds from disposal of property, plant and equipment	1,360	-
Net cash used in investing activities	<u>1,360</u>	<u>(33,623)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net repayment of borrowings	(1,734)	(4,488)
Net cash provided by (used in) financing activities	<u>(1,734)</u>	<u>(4,488)</u>
Net increase in cash held	73,691	60,600
Cash at beginning of year	<u>277,230</u>	<u>216,630</u>
Cash at end of financial year	<u>350,921</u>	<u>277,230</u>
3		

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

Basis of Preparation

This financial report is a special purpose financial statements prepared in order to satisfy the financial reporting requirements of section 60.40 of the *Australian Charities and Not-for-profits Regulation 2013*. The committee has determined that the not-for-profit Association is not a reporting entity.

The financial report has been prepared on an accruals and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments.

(b) Property, Plant and Equipment

Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

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

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	11.25% - 50%
Motor Vehicles	18.75%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(c) 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. All provisions for employee benefits have been measured at the amounts expected to be paid when the liability is settled.

Employees benefits are presented as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

Employees' long service leave entitlements are recorded in the statement of financial position for employees who have attained 5 or more years of continuous service at the reporting date.

(d) 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 entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

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

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

Grant revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as an income in advance liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest is recognised using the effective interest method.

(e) 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 Australian 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.

(f) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Revenue

	2017	2016
	\$	\$
Government and community grants	526,334	433,064
Fundraising and events	9,120	15,011
Other revenue	4,532	1,614
Interest income	3,793	3,469
	<u>543,779</u>	<u>453,158</u>

3 Cash and cash equivalents

Cash at bank and in hand	255,543	149,818
Short-term bank deposits	95,378	127,412
	<u>350,921</u>	<u>277,230</u>

4 Trade and other receivables

Trade and other receivables	885	8,009
Prepayments	-	378
	<u>885</u>	<u>8,387</u>

5 Property, plant and equipment

Plant and equipment

At cost	92,884	103,768
Accumulated depreciation	(65,480)	(66,410)
	<u>27,404</u>	<u>37,358</u>

Motor vehicles

At cost	52,848	52,848
Accumulated depreciation	(23,969)	(17,305)
	<u>28,879</u>	<u>35,543</u>

Total property, plant and equipment	<u>56,283</u>	<u>72,901</u>
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Notes to the Financial Statements
For the Year Ended 30 June 2017

5 Property, plant and equipment

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$
Year ended 30 June 2017			
Balance at the beginning of year	37,358	35,543	72,901
Depreciation expense	(6,100)	(6,664)	(12,764)
Disposals	(3,854)	-	(3,854)
Balance at the end of the year	27,404	28,879	56,283

6 Trade and other payables

	2017	2016
	\$	\$
Trade payables	6,042	13,218
Accrued expenses	8,500	-
GST payable	3,318	36,038
Superannuation payable	8,302	7,457
PAYG withholding payable	12,868	3,640
Other payables	-	1,355
	39,030	61,708

7 Borrowings

CURRENT		
Hire purchase liability	-	1,870
	-	1,870

8 Provisions

CURRENT		
Provision for annual leave	30,186	19,328
	30,186	19,328

Notes to the Financial Statements
For the Year Ended 30 June 2017

9 Income in advance

	2017	2016
	\$	\$
Government grants	179,689	121,910
Department of Health cash buffer	20,000	20,000
	<u>199,689</u>	<u>141,910</u>

The Department of Health has provided a cash buffer of \$20,000 as the Association is experiencing low levels of cash. This money is only to be used with the consent of the Department of Health if there is an inability to make payments from other sources of cash, and is to be offset against future funding if not used.

10 Cash Flow Information

Reconciliation of surplus to cash provided by operating activities:

Surplus for the year	5,482	17,553
<u>Non-cash flows in profit:</u>		
- depreciation	12,764	15,111
- loss on disposal of plant and equipment	2,494	-
<u>Changes in assets and liabilities:</u>		
- (increase) decrease in trade and other receivables	7,124	(7,245)
- (increase) decrease in prepayments	378	16
- increase (decrease) in income in advance	57,779	42,114
- increase (decrease) in trade and other payables	(22,814)	45,477
- increase in provisions	10,858	(14,315)
Cash provided by operating activities	<u>74,065</u>	<u>98,711</u>

11 Association Details

The registered office and principal place of operation of the association is:

Ballarat Regional Multicultural Council Inc
145 Victoria Street East
Ballarat Vic 3350

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

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:

1. the financial statements present a true and fair view of the financial position of Ballarat Regional Multicultural Council Inc as at 30 June 2017 and its performance for the year then ended in accordance with the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, and
2. at the date of this statement, there are reasonable grounds to believe that Ballarat Regional Multicultural Council Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013* and a resolution of the committee by:

Chairperson


.....
Fr. Constantine Osuchukwu

Treasurer


.....
Mr. Paul Tant

Dated 14 November 2017

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

**Auditors Independence Declaration To the Members of Ballarat Regional
Multicultural Council Inc**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been no contraventions of:

- (i) the auditor independence requirements as set out in *Division 60 of the Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

PPT Audit Pty Ltd
PPT Audit Pty Ltd



Jason D. Hargreaves
Director

13 November 2017

20 Lydiard Street South, Ballarat Vic 3350

Ballarat Regional Multicultural Council Inc**Independent Audit Report to the members of Ballarat Regional Multicultural Council Inc****Opinion**

We have audited the accompanying financial report, being a special purpose financial report of Ballarat Regional Multicultural Council Inc (the Association), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and statement by members of the committee.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2017 presents fairly, in all material respects, including:

- i) giving a true and fair view of the Association's financial position as at 30 June 2017 and of its financial performance for the year ended;
- ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of *the Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by Division 60 of *the Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the members of the Association, would be in the same terms if given to the members as at the time of this auditor's report.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared for the purpose of fulfilling the committee's financial reporting responsibilities under Division 60 of *the Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and the Committee

Management is responsible for the preparation and fair presentation of the financial report in accordance with *Australian Charities and Not-for-profits Commission 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.

The committee is responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

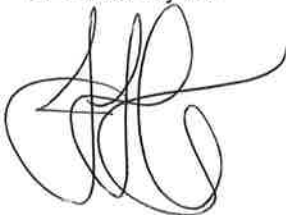
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PPT Audit Pty Ltd
PPT Audit Pty Ltd



Jason D. Hargreaves
Director

20 Lydiard Street South, Ballarat

14 November 2017