

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

Financial Statements

For the Year Ended 30 June 2018

Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

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For the Year Ended 30 June 2018

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Ballarat Regional Multicultural Council Inc

ABN: 24 776 744 519

**Statement of Comprehensive Income
For the Year Ended 30 June 2018**

	2018	2017
Note	\$	\$
Revenue	2 765,476	543,779
Employee benefits expense	(504,980)	(343,836)
Depreciation expense	(10,357)	(12,764)
Program costs	(115,683)	(87,825)
Other expenses	(150,645)	(93,872)
Surplus/(deficit) before income tax	(16,189)	5,482
Income tax expense	1(f) -	-
Surplus/(deficit) for the year	(16,189)	5,482
Other comprehensive income	-	-
Total comprehensive income for the year	(16,189)	5,482

The accompanying notes form part of these financial statements.

Ballarat Regional Multicultural Council Inc

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Statement of Financial Position**30 June 2018**

	2018	2017
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3 332,803	350,921
Trade and other receivables	4 15,167	885
Prepayments	17,510	-
TOTAL CURRENT ASSETS	<u>365,480</u>	<u>351,806</u>
NON-CURRENT ASSETS		
Plant and equipment	5 45,825	56,283
TOTAL NON-CURRENT ASSETS	<u>45,825</u>	<u>56,283</u>
TOTAL ASSETS	<u>411,305</u>	<u>408,089</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	6 31,686	39,030
Provisions	7 34,619	30,186
Other liabilities	8 215,090	199,689
TOTAL CURRENT LIABILITIES	<u>281,395</u>	<u>268,905</u>
Long-term provisions	7 6,915	-
TOTAL NON-CURRENT LIABILITIES	<u>6,915</u>	<u>-</u>
TOTAL LIABILITIES	<u>288,310</u>	<u>268,905</u>
NET ASSETS	<u>122,995</u>	<u>139,184</u>
EQUITY		
Retained surplus	<u>122,995</u>	<u>139,184</u>
TOTAL EQUITY	<u>122,995</u>	<u>139,184</u>

The accompanying notes form part of these financial statements.

Ballarat Regional Multicultural Council Inc

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Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Retained surplus	Total
	\$	\$
Balance at 1 July 2017	139,184	139,184
Deficit for the year	(16,189)	(16,189)
Balance at 30 June 2018	122,995	122,995

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

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Statement of Cash Flows**For the Year Ended 30 June 2018**

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from government and communities	764,015	604,889
Payments to suppliers, employees and communities	(784,713)	(534,617)
Interest received	2,580	3,793
Net cash provided by/(used in) operating activities	9 (18,118)	74,065
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of property, plant and equipment	-	1,360
Net cash provided by investing activities	-	1,360
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net repayment of borrowings	-	(1,734)
Net cash used in financing activities	-	(1,734)
Net increase in cash held	(18,118)	73,691
Cash at beginning of year	350,921	277,230
Cash at end of financial year	3 332,803	350,921

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2018

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.

Employee benefits expected to be settled more than twelve months 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. Cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(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.

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.

Ballarat Regional Multicultural Council Inc

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**Notes to the Financial Statements
For the Year Ended 30 June 2018**

2 Revenue

	2018	2017
	\$	\$
Government and community grants	727,033	526,334
Fundraising and events	13,361	9,120
Other revenue	11,248	4,532
Rental income	11,254	-
Interest income	2,580	3,793
	<u>765,476</u>	<u>543,779</u>

3 Cash and cash equivalents

Cash at bank and in hand	235,303	255,543
Short-term bank deposits	97,500	95,378
	<u>332,803</u>	<u>350,921</u>

4 Trade and other receivables

Trade and other receivables	15,167	885
	<u>15,167</u>	<u>885</u>

5 Property, plant and equipment

Plant and equipment

At cost	89,781	92,884
Accumulated depreciation	(67,420)	(65,480)
	<u>22,361</u>	<u>27,404</u>

Motor vehicles

At cost	52,848	52,848
Accumulated depreciation	(29,384)	(23,969)
	<u>23,464</u>	<u>28,879</u>

Total property, plant and equipment

	<u>45,825</u>	<u>56,283</u>
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Ballarat Regional Multicultural Council Inc

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Notes to the Financial Statements**For the Year Ended 30 June 2018****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 2018			
Balance at the beginning of year	27,404	28,879	56,283
Depreciation expense	(4,942)	(5,415)	(10,357)
Disposals	(101)	-	(101)
Balance at the end of the year	22,361	23,464	45,825

6 Trade and other payables

	2018	2017
	\$	\$
Trade payables	10,360	6,042
Accrued expenses	2,301	8,500
GST payable	3,090	3,318
Superannuation payable	9,907	8,302
PAYG withholding payable	6,028	12,868
	31,686	39,030

7 Provisions**CURRENT**

Provision for annual leave	34,619	30,186
	34,619	30,186

NON-CURRENT

Provision for long service leave	6,915	-
	6,915	-

Ballarat Regional Multicultural Council Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

8 Income in advance

	2018	2017
	\$	\$
Government grants	195,090	179,689
Department of Health cash buffer	20,000	20,000
	215,090	199,689

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.

9 Cash Flow Information

Reconciliation of surplus to cash provided by operating activities:

Surplus/(Deficit) for the year	(16,189)	5,482
<u>Non-cash flows in profit:</u>		
- depreciation	10,357	12,764
- loss on disposal of plant and equipment	101	2,494
<u>Changes in assets and liabilities:</u>		
- (increase) decrease in trade and other receivables	(14,282)	7,124
- (increase) decrease in prepayments	(17,510)	378
- increase (decrease) in income in advance	15,401	57,779
- increase (decrease) in trade and other payables	(9,218)	(22,814)
- increase in provisions	13,222	10,858
Cash provided by operating activities	(18,118)	74,065

10 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

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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:

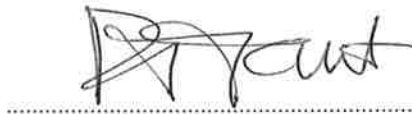
1. the financial statements present a true and fair view of the financial position of Ballarat Regional Multicultural Council Inc as at 30 June 2018 and its performance for the year then ended in accordance with the financial reporting requirements of the *Australian Charities and Not-for-profits Commission 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


Cesare Dichiera

Treasurer


Paul Tant

Dated 19 November 2018

Ballarat Regional Multicultural Council Inc

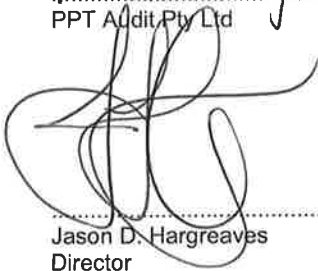
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Auditors Independence Declaration To the Members of Ballarat Regional Multicultural Council Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, 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



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Jason D. Hargreaves
Director

16 November 2018

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 2018, 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 2018 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

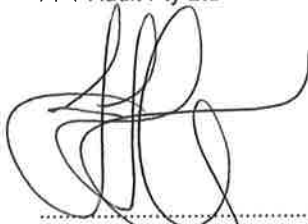
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

19 November 2018