



The Centre: Connecting Community in North & West Melbourne Incorporated  
ABN 21 236 030 938

## **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2019

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Prepared by Craig Barry – Rutherford Clare Business Services

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## ABOUT THE CENTRE

The Centre is a not-for-profit incorporated charity situated in Errol Street in the heart of North and West Melbourne.

The Centre has been providing services to the North and West Melbourne Community for over 43 years. It continues to be proudly run by a loyal and committed team of volunteers and paid staff. The Centre's members and clientele cover a diverse range of individuals from a variety of cultural backgrounds and organisations, exemplifying the richness of the local community.

The Centre's programs and activities respond to the needs of the North & West Melbourne community, providing an accessible and inclusive agenda which fosters belonging and community spirit, reduces social dislocation and ultimately improves the wellbeing of the community's members.

The Centre works closely with other community partners and local associations and is supported by funding and goodwill from the community, government and non-government organisations.

The Centre is an Incorporated Association registered with Consumer Affairs Victoria and a charity registered with the Australian Charities and Not for Profit Commission. The members of the association comprise individuals that have been active participants in any of the activities run by The Centre and supporters from the local community. Members are entitled to attend the Annual General Meeting and any Special General Meetings of the association and vote on any resolutions put to the meetings.

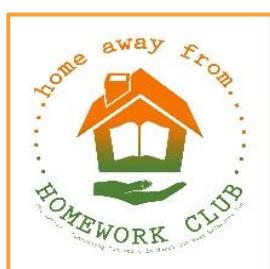
The Centre's activities are overseen by a Management Committee elected or appointed in accordance with The Centre's constitution. Directors receive no remuneration for being on the Committee.

Committee members at 30 June 2019 were:

- Mr. Karl Hessian - Chair
- Mr. Malcolm Peacock - Director
- Mrs. Margaret Wood - Vice Chair
- Mrs. Kathleen McPherson - Secretary
- Mr. Bill Liddy - Director
- Mr. Benjamin O'Connor - Director
- Mr. Michael Halls - Treasurer

The Committee has delegated responsibility for the day to day operation of The Centre to a Centre Director. The current Centre Director is Mr. Thomas Seddon. Mr Seddon was appointed to the role in May 2018.

The Centre's programs and activities include educational programs, community activities and events including:



## ACKNOWLEDGEMENTS



The Centre is a founding member of the Inner North Cluster

### Key Partners & Supporters



### Major Donors & Sponsors



The Ross Trust is major donor supporting our Homework Club.



Alex Karbon is a major sponsor of the Spring Fling festival.



City West Water

City West Water is a Sponsor of both Spring Fling and the Spanish Language Fiesta.



Flexicar is a significant Sponsor of Spring Fling.



Costco is a significant Sponsor of Spring Fling.

The Centre wishes to thank the above donors and sponsors for their generosity as well as all those individuals that made donations directly or via our on-line fundraising campaigns to support our Homework Club, the Spanish Language Fiesta or other activities at The Centre. Thank you all.

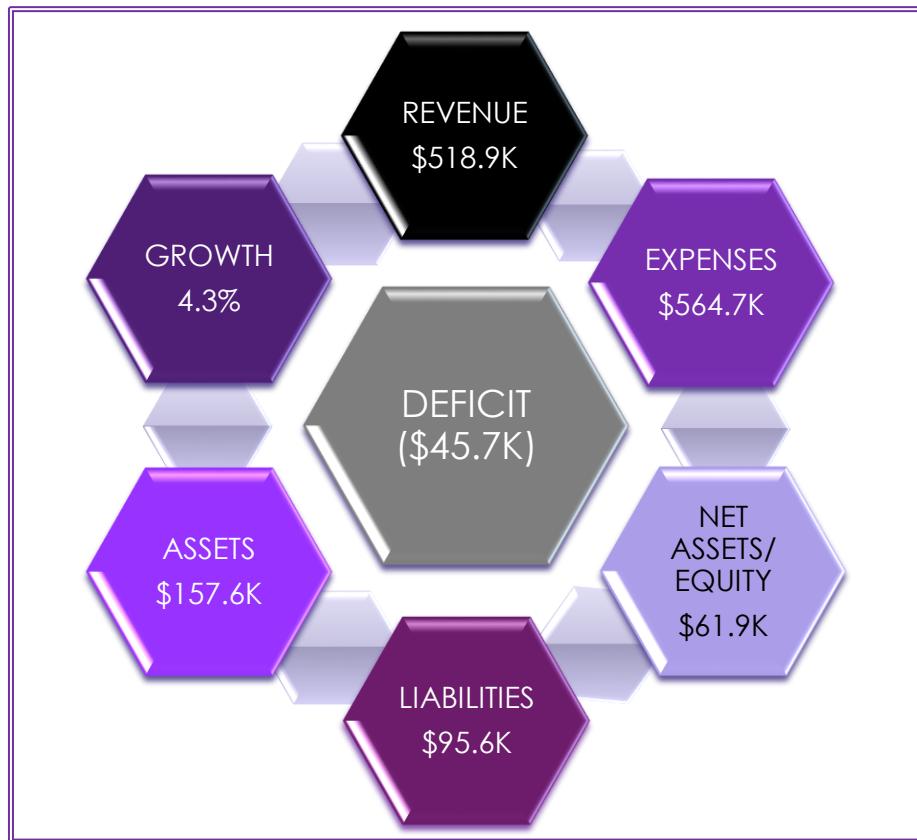
### Auditor



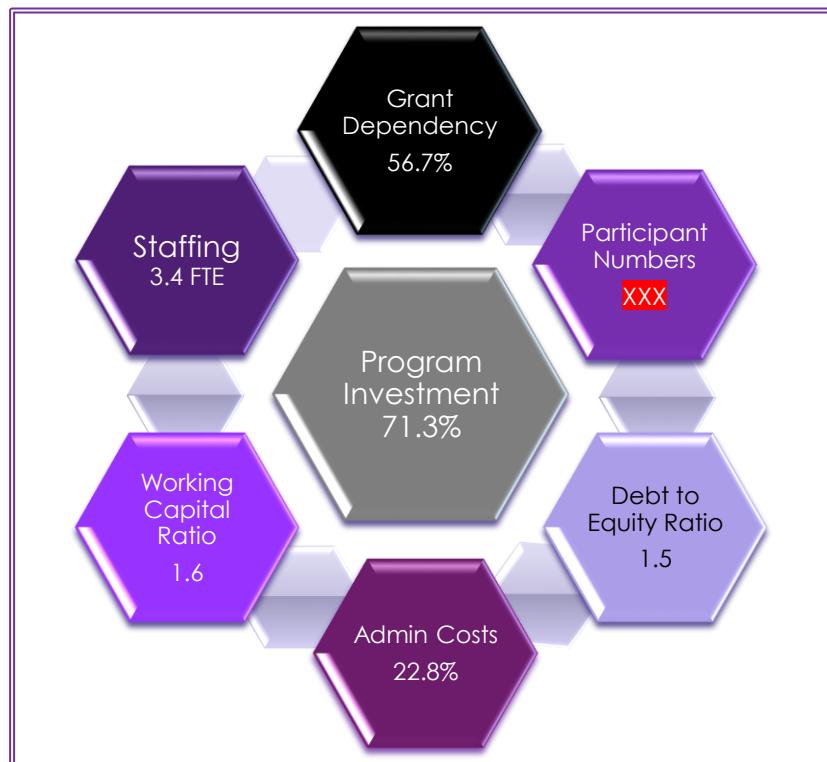
Mr Michael Adasko CPA  
ABR Partners Pty Ltd  
Unit 7, 617-643 Spencer Street  
West Melbourne, VIC 3003

# THE FINANCIAL YEAR AT A GLANCE

## HEADLINES



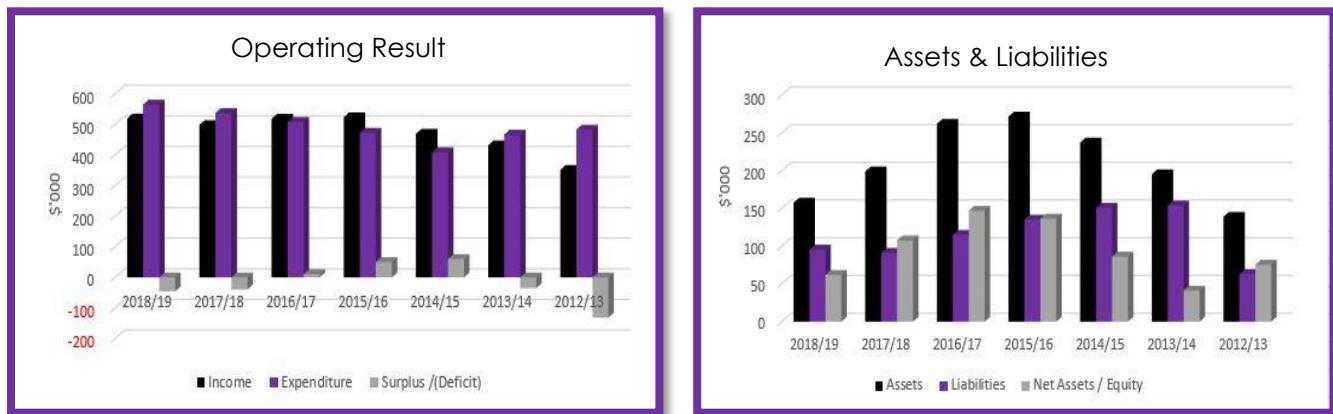
## KEY INDICATORS



## SUMMARY FINANCIAL DATA & KEY INDICATORS

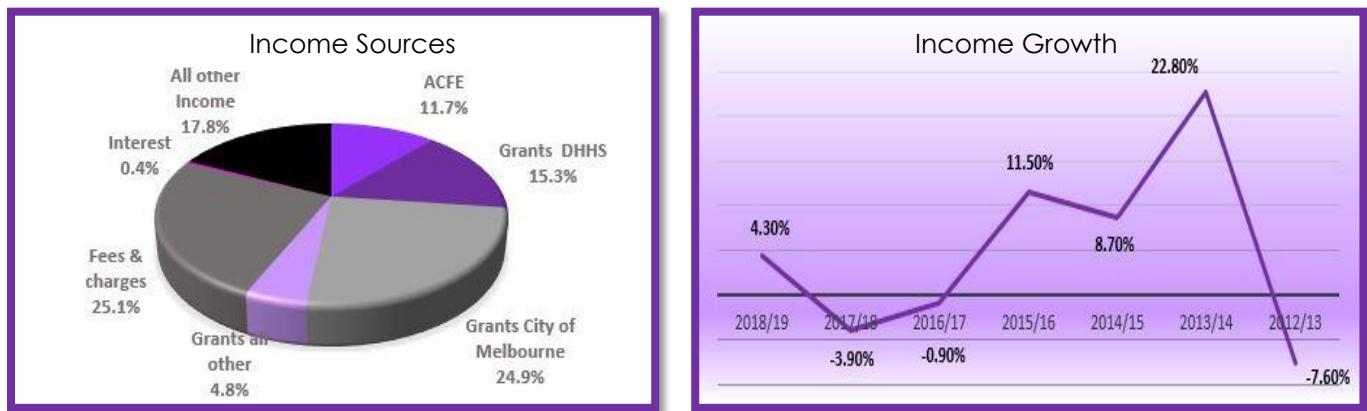
### (a) Headline Data & Indicators - 6 Year Comparison

	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$	2012/13 \$
Income	518,988	497,509	518,152	522,839	468,903	431,295	351,192
Expenditure	564,688	536,880	507,697	472,605	408,677	466,419	482,760
<b>Surplus / (Deficit)</b>	<b>(45,700)</b>	<b>(39,371)</b>	<b>10,455</b>	<b>50,234</b>	<b>60,226</b>	<b>(35,124)</b>	<b>(131,568)</b>
Assets	157,640	199,082	262,112	271,805	237,387	195,331	139,036
Liabilities	95,641	91,383	115,043	135,191	151,007	154,126	63,450
<b>Net Assets / Equity</b>	<b>61,999</b>	<b>107,699</b>	<b>147,069</b>	<b>136,614</b>	<b>86,380</b>	<b>32,873</b>	<b>75,586</b>
Working capital ratio (target > 1.5)	1.6	2.1	2.3	1.9	1.4	1.1	2.0
Debt to equity ratio (target < 0.8)	1.5	0.8	0.8	0.9	1.7	4.7	0.8



### (b) Income - 6 Year Comparison

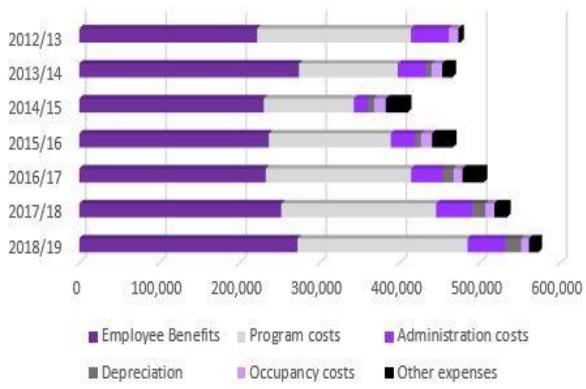
	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$	2012/13 \$
Grant income – DET / ACFE	60,624	76,653	60,504	141,510	58,689	109,888	65,281
Grant Income - DHHS	79,277	60,007	57,206	54,421	51,809	49,077	46,380
Grant Income – City of Melbourne	129,364	127,684	140,872	136,411	115,668	117,692	140,007
Grant income - all other	25,048	28,959	66,679	63,115	25,218	7,373	13,500
Fees & charges	130,288	119,953	113,601	91,214	87,489	80,996	54,093
Interest	1,921	1,947	1,857	562	431	950	6,610
All other Income	92,466	82,306	77,433	35,606	129,599	65,319	25,321
<b>Total Income</b>	<b>518,988</b>	<b>497,509</b>	<b>518,152</b>	<b>522,839</b>	<b>468,903</b>	<b>431,295</b>	<b>351,192</b>
Income growth on previous year	4.3%	(3.9%)	(0.9%)	11.5%	8.7%	22.8%	(7.6%)
ACFE grants as % total income (target < 50%)	11.6%	15.4%	11.7%	27.1%	12.5%	25.4%	18.5%
All grants as % total income (target < 75%)	56.7%	58.9%	62.8%	75.6%	53.6%	65.8%	75.5%



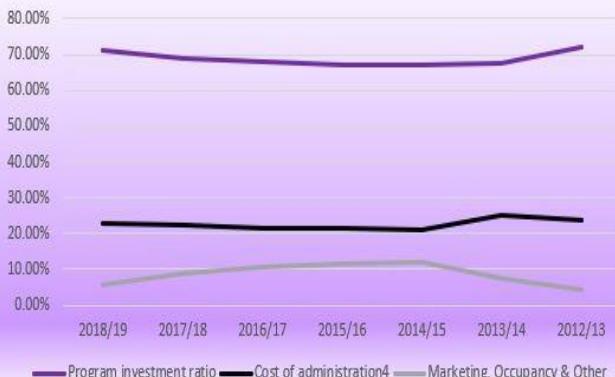
(c) Expenditure - 6 Year Comparison

	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$	2012/13 \$
Employee Benefits <sup>1</sup>	272,432	252,145	232,643	236,614	230,380	274,305	221,936
Program costs	212,026	193,103	181,549	152,195	112,137	123,227	191,936
Administration costs	47,043	44,793	39,293	30,399	17,262	34,709	47,179
Depreciation	11,724	19,904	16,630	13,604	7,100	8,183	7,393
Occupancy costs	9,790	11,123	11,115	13,867	14,559	13,132	12,136
Other expenses <sup>2</sup>	11,529	15,812	26,467	25,926	27,239	12,863	2,180
<b>Total expenses</b>	<b>564,688</b>	<b>536,880</b>	<b>507,697</b>	<b>472,605</b>	<b>408,677</b>	<b>466,419</b>	<b>482,760</b>
Program cost ratio <sup>3</sup>	37.5%	35.9%	35.8%	32.2%	27.4%	26.4%	39.8%
Program investment ratio <sup>4</sup>	71.3%	68.8%	67.8%	67.2%	66.9%	67.6%	71.9%
Program investment split (Direct program: program support)	85:15	84:16	87:13	85:15	83:17	83:17	87:13
Total staffing (average FTE)	3.4	3.4	4.2	3.2	3.4	4.4	3.0
Staff cost ratio <sup>1</sup>	48.2%	46.9%	45.8%	50.1%	56.4%	58.9%	46.0%
Cost of administration <sup>4</sup>	22.8%	22.4%	21.5%	21.4%	21.1%	25.1%	23.6%

Expenditure by Category



Expenditure by Activity Ratios



Financial Indicators



Staffing

Year	Staffing - Average FTE	Staff Cost %
2018/19	3.4	48.2%
2017/18	3.4	46.9%
2016/17	4.2	45.8%
2015/16	3.2	50.1%
2014/15	3.4	56.4%
2013/14	4.4	58.9%
2012/13	3.0	46.0%

<sup>1</sup> Staffing mix is approximately 50% direct program staff, 20% program support staff, 30% administration staff.

<sup>2</sup> Includes advertising, promotion, marketing & fundraising costs.

<sup>3</sup> All ratios calculated as a % of total expenditure

<sup>4</sup> Includes allocation of employee benefits as detailed above – see footnote 1.

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>INCOME</b>			
Government and other grants			
- City of Melbourne	2	129,364	127,684
- Department of Education and Training	2	60,625	76,653
- Department of Human Services	2	79,277	60,007
- Other	2	28,048	28,959
Course and activity fees	2	130,288	119,953
Other income	2	94,387	84,253
<b>TOTAL INCOME</b>		<b>518,988</b>	<b>497,509</b>
<b>EXPENDITURE</b>			
Employee benefits	3	(272,432)	(252,145)
Advertising and promotion		(1,809)	(1,581)
Depreciation	8	(11,724)	(19,904)
Occupancy costs		(9,690)	(11,123)
Program costs - contractors	4	(104,973)	(112,942)
Program costs - other	4	(107,054)	(80,161)
Other expenses	5	(56,908)	(59,024)
<b>TOTAL EXPENDITURE</b>		<b>(564,688)</b>	<b>(536,880)</b>
<b>NET RESULT FOR THE PERIOD</b>	16	<b>(45,700)</b>	<b>(39,371)</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD</b>		<b>(45,700)</b>	<b>(39,371)</b>

*The accompanying notes form part of these financial statements.*

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	112,129	160,498
Receivables	7	17,692	9,085
Prepayments & other current assets		5,665	2,840
<b>Total current assets</b>		<b>135,486</b>	<b>172,423</b>
<b>Non-current assets</b>			
Property, plant and equipment	8	22,154	26,659
<b>Total non-current assets</b>		<b>22,154</b>	<b>26,659</b>
<b>TOTAL ASSETS</b>		<b>157,640</b>	<b>199,082</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	9	29,818	25,227
Provisions	12	21,524	20,776
Income received in advance	10	30,433	27,675
Project funds held	11	-	6,935
<b>Total current liabilities</b>		<b>81,775</b>	<b>80,613</b>
<b>Non-current liabilities</b>			
Provisions	12	13,866	10,770
<b>Total non-current liabilities</b>		<b>13,866</b>	<b>10,770</b>
<b>TOTAL LIABILITIES</b>		<b>95,641</b>	<b>91,383</b>
<b>NET ASSETS</b>		<b>61,999</b>	<b>107,699</b>
<b>EQUITY</b>			
Reserves		18,592	18,592
Retained earnings		43,407	89,107
<b>TOTAL EQUITY</b>	13	<b>61,699</b>	<b>107,699</b>

*The accompanying notes form part of these financial statements.*

**STATEMENT OF CHANGES IN EQUITY**  
FOR THE YEAR ENDED 30 JUNE 2019

	Note	Retained Earnings	Reserves	TOTAL
		\$	\$	\$
<b>BALANCE AT 30 JUNE 2017</b>		<b>128,478</b>	<b>18,592</b>	<b>147,070</b>
Comprehensive income (expense) for the year		(39,371)	-	(39,371)
Amount transferred (to) from reserves		-	-	-
<b>BALANCE AT 30 JUNE 2018</b>		<b>89,106</b>	<b>18,592</b>	<b>107,699</b>
Comprehensive income (expense) for the year		(45,700)	-	(45,700)
Amount transferred (to) from reserves		-	-	-
<b>BALANCE AT 30 JUNE 2019</b>	13	<b>43,407</b>	<b>18,592</b>	<b>61,999</b>

*The accompanying notes form part of these financial statements.*

**STATEMENT OF CASH FLOWS**  
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Government and other grants		300,474	324,117
Other receipts		214,460	181,349
Employee benefits paid		(224,772)	(218,208)
Payments to suppliers		(331,813)	(311,382)
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES</b>	14	<b>(41,651)</b>	<b>(24,124)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(7,393)	(4,160)
Proceeds from sale of property, plant and equipment		675	-
<b>NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES</b>		<b>(6,718)</b>	<b>(4,160)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net interest received (paid)		-	-
Equity invested in Non-current Assets		-	-
Equity invested in Operating Activities		-	-
<b>NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		<b>(48,639)</b>	<b>(28,284)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>160,498</b>	<b>188,782</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	6	<b>112,129</b>	<b>160,498</b>

*The accompanying notes form part of these financial statements.*

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2019

#### NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements prepared to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

The financial statements cover The Centre: Connecting Community in North & West Melbourne Inc. ("The Centre") as an individual entity. The Centre is an association incorporated in Victoria and operating pursuant to the *Associations Incorporation Reform Act 2012*. The committee of management of The Centre has determined that the association is not a reporting entity.

##### Basis of preparation

The financial statements have been prepared in accordance with Australian Accounting Standards as required for a 'tier two association' under the *Associations Incorporation Reform Act 2012*.

The financial statements, apart from cash flow information, have been prepared on an accrual basis in accordance with the historical cost convention, except for the measurement at fair value of certain non-current assets and financial assets and liabilities where stated. All amounts shown in the financial statements are rounded to the nearest dollar.

The following material accounting policies have been applied in preparing the financial statements for the year ended 30 June 2019 and the comparative information for the year ended 30 June 2018.

##### (a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and is measured at the fair value of the consideration received or receivable. Specific revenues are recognised as follows:

##### Grants

The Centre receives grants for operating and project purposes. Where there are conditions attached to grants relating to the specific use and timing of funds and which may provide for economic value back to the grant contributor, grants are first recognised as a liability in the statement of financial position (income received in advance) until such obligations are met, then recognised as revenue in the statement of comprehensive income as performance occurs and grants are expended in accordance with grant requirements. Grants are otherwise recognised as revenue when control of the underlying assets received, or receivable has been obtained.

##### Rendering of services

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer, and where delivery is in progress, by reference to the percentage stage of completion of the transaction.

##### Course and activity fees

Fees are recognised as revenue when they are received, unless they have been received in advance of the commencement of the related activity period, in which case they are first recognised as a liability in the statement of financial position (income received in advance), then transferred to revenue when delivery commences.

##### Sale of goods

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

##### Interest

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

All revenue is stated net of the amount of Goods and Services Tax (GST).

##### (b) Property, plant and equipment

Each class of fixed asset is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of physical assets is reviewed annually to ensure it is not materially in excess of the recoverable amount from these assets.

##### Depreciation

Fixed assets are capitalised and depreciated on a straight-line basis over their useful lives commencing from the time the assets are held ready for use.

The depreciation rates used for each class of depreciable assets are:

##### Class of fixed asset

Office furniture and equipment:

	<u>Depreciation rate</u>
• Furniture	15-20%
• Office equipment excl. computers	20-25%
• Computer equipment	25-40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

(c) **Operating leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term. Any lease incentives received under operating leases are recognised initially as a liability and amortised on a straight-line basis over the life of the lease term.

(d) **Financial instruments**

The association's financial instruments consist of cash and cash equivalents and non-interest-bearing trade and other short-term receivables and payables.

Cash and cash equivalents comprise at-call and short-term deposits held with financial institutions and cash on hand. Receivables comprise trade and other short-term amounts owing to The Centre and due for settlement.

Payables represent liabilities in relation to goods and services provided to The Centre prior to the end of the financial year which are unpaid.

**Recognition and measurement**

The association recognises financial assets or liabilities on the date they are originated or when it becomes a party to the contractual provisions of the instrument. The instruments are initially measured at fair value plus any transaction costs. Subsequent measurement is either at fair value or amortised cost, less any impairment losses.

**Fair value**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of the association's financial instruments are based on cost.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the association no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired.

(e) **Impairment**

The association assesses the carrying amounts of its financial and non-financial assets at the end of each reporting period for indications of impairment. If any such indication exists, the asset's recoverable amount is estimated, and any excess of the asset's carrying value over its recoverable amount is recognised as an impairment loss.

Impairment losses are expensed to the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation, with any excess recognised through the statement of comprehensive income.

The recoverable amount for assets is recognised at either the present value of estimated future cash flows, fair value less costs to sell or depreciated replacement cost, depending on the asset.

Impairment of the association's financial instruments is not recognised until objective evidence exists that a loss event has occurred. A provision for impairment losses is raised if there is an indicator that an impairment loss may be incurred.

An impairment loss is reversed if a subsequent increase in the recoverable amount of the asset can be objectively related to an event occurring after the impairment loss was recognised.

(f) **Provisions**

Provisions are made 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. The amounts recognised represent an estimate of the obligations as at the end of the reporting period.

(g) **Income received in advance**

Income received in advance represents liabilities for amounts received by The Centre in advance of the related delivery of goods or services, for which contractual obligations exist. Refer also Note 1 (a) Revenue.

(h) **Employee benefits**

Provision is made for the association's liability for short and long-term employee benefits arising from services rendered by employees to balance date. These benefits include salaries and wages, annual and long-service leave and superannuation.

Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, including related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits plus related on-costs.

(i) **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.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for investing and financing activities, the GST component of which is disclosed as part of operating cash flow.

(j) **Income Tax**

The Centre is endorsed as an income tax exempt charity under Division 50 (Subdivision 50-B) of the Income Tax Assessment Act 1997.

(k) **Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(l) **Accounting judgments and estimates**

The preparation of the association's financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. Estimates and assumptions are based on historical experience, best available current information and reasonable expectations of future events. Actual results may differ from estimates.

Estimates and assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognised in the period or periods affected by the revision.

(m) **Adoption of new and revised accounting standards**

The association has adopted applicable accounting standards and interpretations that are mandatory for the current reporting period. All new and revised accounting standards and interpretations that have mandatory application for future reporting periods, and are relevant to the association, have not been early adopted.



Centre Adventure 2019 – Werribee Mansion & State Rose Garden



Spring Fling 2018



Santa and his elf, Errol street 2018



Spanish Language Fiesta 2019



First Boomerang Bag

NOTE 2. GRANTS & OTHER INCOME

	2019	2018
	\$	\$
<b>Grants</b>		
City of Melbourne	129,364	127,684
Department of Education and Training	60,625	76,653
Department of Human Services	79,277	60,007
Other Grants	25,048	28,959
<b>Total grants</b>	<b>294,314</b>	<b>293,303</b>
<b>Trading &amp; Other Income</b>		
North & West Melbourne News advertising and subscription revenue	11,461	12,648
Spring Fling Festival sponsorship and stall hire revenue	40,157	46,640
Errol's Angels membership fees	13,241	13,726
Course Fees	105,586	93,579
Interest	1,921	1,947
All other	52,308	35,666
<b>Total Trading &amp; other income</b>	<b>224,674</b>	<b>204,206</b>
<b>Total income</b>	<b>518,988</b>	<b>497,509</b>

NOTE 3. EMPLOYEE BENEFITS

	2019	2018
	\$	\$
<b>Salaries and wages</b>		
Leave provisions	243,697	235,917
Superannuation	3,845	(4,728)
Workcover	21,241	20,521
Other benefits	3,145	2,944
<b>Total employee benefits</b>	<b>272,432</b>	<b>252,145</b>

NOTE 4. PROGRAM COSTS

Program costs include costs directly attributable to supporting and delivering program activities. They include expenditure related to the Spring Fling Festival and the Spanish Language Fiesta.

The current period includes project expenses relating to the delivery of the most recent Spring Fling Festival held in October 2018 and the Spanish Language Fiesta held in April 2019.

NOTE 5. OTHER EXPENSES

	2019	2018
	\$	\$
<b>Audit fees</b>		
Bank charges	1,600	1,500
Communications	1,021	885
Computer and IT costs	3,745	3,652
Other staffing & volunteer costs	6,486	6,175
Meeting and governance expenses	8,596	12,485
Printing and stationery	1,838	3,416
All other expenses	12,191	13,876
<b>Total other expenses</b>	<b>56,908</b>	<b>59,024</b>

NOTE 6. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash in bank accounts	36,520	109,189
Cash in term deposits	75,409	51,009
Cash on hand	200	300
<b>Total cash and cash equivalents</b>	<b>112,129</b>	<b>160,498</b>

NOTE 7. RECEIVABLES

	2019	2018
	\$	\$
Trade and sundry debtors	17,692	9,328
Provision for doubtful debts	-	(243)
<b>Total receivables</b>	<b>17,692</b>	<b>9,085</b>

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

	2019	2018
	\$	\$
<b>Office furniture and equipment:</b>		
At cost	15,818	13,876
Accumulated depreciation	(11,861)	(9,792)
At Fair Value	13,521	25,739
Accumulated depreciation	(13,521)	(23,293)
<b>Total office furniture &amp; equipment</b>	<b>3,957</b>	<b>6,530</b>
<b>Program Equipment:</b>		
At cost	36,415	31,244
Accumulated depreciation	(18,218)	(11,458)
At Fair Value	3,452	5,824
Accumulated depreciation	(3,452)	(5,481)
<b>Total program equipment</b>	<b>18,197</b>	<b>20,129</b>
<b>Total property, plant and equipment</b>	<b>22,154</b>	<b>26,659</b>

(a) Movements in carrying amounts

	PROGRAM EQUIPMENT	OFFICE FURNITURE & EQUIPMENT	TOTAL
	\$	\$	\$
<b>Balance at 30 June 2017</b>	<b>23,898</b>	<b>18,505</b>	<b>42,403</b>
Additions	4,160	-	4,160
Depreciation expense	(7,929)	(11,975)	(19,904)
<b>Carrying amount at 30 June 2018</b>	<b>20,129</b>	<b>6,530</b>	<b>26,659</b>
Additions	5,452	1,941	7,393
Disposals	(175)	-	(175)
Depreciation expense	(7,209)	(4,514)	(11,723)
<b>Carrying amount at 30 June 2019</b>	<b>18,197</b>	<b>3,957</b>	<b>22,154</b>

NOTE 9. PAYABLES

	2019	2018
	\$	\$
Trade and sundry creditors	23,710	16,331
Goods and services tax payable	2,352	4,984
Pay-as-you-go withholding tax payable	3,556	3,712
Superannuation payable	-	-
Bonds Held	200	200
<b>Total payables</b>	<b>29,818</b>	<b>25,227</b>

NOTE 10. INCOME RECEIVED IN ADVANCE

	2019	2018
	\$	\$
Grants in advance	28,190	21,464
Fees in advance	2,243	6,210
<b>Total income received in advance</b>	<b>30,433</b>	<b>27,675</b>

NOTE 11. PROJECT FUNDS HELD

	2019	2018
	\$	\$
Errol's Angels Community Choir Project	-	6,935
<b>Total project funds held</b>	<b>-</b>	<b>6,935</b>

NOTE 12. PROVISIONS

	2019	2018
	\$	\$
<b>Current</b>		
Employee benefits		
Annual leave	21,524	20,776
<b>Total current</b>	<b>21,524</b>	<b>20,776</b>
<b>Non-current</b>		
Employee benefits		
Long-service leave	13,866	10,770
<b>Total non-current</b>	<b>13,866</b>	<b>10,770</b>
<b>Total provisions</b>	<b>35,390</b>	<b>31,546</b>

(a) Movements in carrying amounts

	ANNUAL LEAVE \$	LONG SERVICE LEAVE \$	TOTAL \$
<b>Balance at 30 June 2017</b>	<b>17,608</b>	<b>18,666</b>	<b>36,274</b>
Net provisions made during year	3,168	(7,896)	(4,728)
<b>Carrying amount at 30 June 2018</b>	<b>20,776</b>	<b>10,770</b>	<b>31,546</b>
Net provisions made during year	748	3,096	3,844
<b>Carrying amount at 30 June 2019</b>	<b>21,524</b>	<b>13,866</b>	<b>35,390</b>

NOTE 13. EQUITY AND RESERVES

(a) Movements in carrying amounts

	ASSET REVALUATION RESERVE \$	RETAINED EARNINGS \$	TOTAL EQUITY \$
<b>Balance at 30 June 2017</b>	<b>18,592</b>	<b>128,478</b>	<b>147,070</b>
Increase (decrease) for year	-	(39,371)	(39,371)
<b>Balance at 30 June 2018</b>	<b>18,592</b>	<b>89,106</b>	<b>107,699</b>
Increase (decrease) for year	-	(45,700)	(45,700)
<b>Balance at 30 June 2019</b>	<b>18,592</b>	<b>43,406</b>	<b>61,999</b>

(b) Nature and purpose of reserves

Asset revaluation reserve

The asset revaluation reserve is comprised of the changes in the fair value of fixed Assets owned by the organisation, i.e., the difference between the book value less accumulated depreciation of any asset and the determined fair value.

Retained Earnings

This represents the level of unrestricted funds available for general use in the future.

NOTE 14. CASH FLOW INFORMATION

	2019 \$	2018 \$
<b>Reconciliation of net result from statement of comprehensive income with cash flow from operating activities</b>		
Net result for the period	(45,700)	(39,371)
Items in net result classified as investing activities		
Capital grants	-	-
Items in net result classified as financing activities		
Net interest received (paid)	-	-
Equity Invested in operating activities	-	-
Non-cash flows in net result		
Depreciation	11,723	19,904
Net (gain) loss on disposal of non-current assets	(501)	-
Changes in operating assets and liabilities		
(Increase) decrease in receivables	(8,364)	14,020
(Increase) decrease in prepayments & other current assets	(3,068)	4,982
Increase (decrease) in payables	18,129	6,535
Increase (decrease) in provisions	3,845	(4,728)
Increase (decrease) in project funds held	(6,935)	744
Increase (decrease) in income received in advance & other current liabilities	(10,780)	(26,210)
<b>Net cash inflow (outflow) from operating activities</b>	<b>(41,651)</b>	<b>(24,124)</b>

NOTE 15. OPERATING LEASE COMMITMENTS

The Centre had a 36-month operating lease on photocopy equipment which commenced in February 2016. At balance date The Centre was still in possession of the equipment but the remaining lease commitment was \$0.00 (2018: \$1,728) and was able to be cancelled by providing 30 days written notice of the intention to return the equipment to the lessor.

The Centre also has a peppercorn lease arrangement on property. The applicable lease commitment at balance date was \$10 (2017: \$10).

NOTE 16. AUDITORS' REMUNERATION

	2019 \$	2018 \$
Remuneration of the auditors of the association		
Audit of the annual financial report	1,600	1,500
<b>Total auditors' remuneration</b>	<b>1,600</b>	<b>1,500</b>

## NOTE 17. DIRECTORS' REMUNERATION AND ATTENDANCE

### (a) Directors Remuneration

Members of the Management Committee do not receive any remuneration for being a committee member. They are reimbursed for any reasonable expenses incurred that relate to their service as a Committee Member or the furtherance of the activities of the association.

### (b) Attendance at meetings

COMMITTEE MEMBER	DATE APPOINTED	DATE RETIRED	MEETINGS ATTENDED	MEETINGS HELD*
Mr. Karl Hessian - Chair	1 February 2010	-	7	10
Mrs. Kathleen McPherson - Secretary	30 September 2013	-	9	10
Mr. Malcolm Peacock - Director	30 September 2013	-	9	10
Mr. Michael Halls - Treasurer	25 September 2017	-	8	10
Mrs. Margaret Wood – Vice Chair	30 September 2013	-	9	10
Mr Bill Liddy - Director	26 October 2009	-	10	10
Mr. Benjamin O'Connor - Director	22 June 2015	-	8	10

\* Represents the number of meetings held in the year that the member was eligible to attend.

## NOTE 18. SUBSEQUENT EVENTS

As at the date that this report was signed the committee members believed that there were no events after the balance date on 30 June 2019 that will have a material impact on the figures or other disclosures in this report.

## NOTE 19. ASSOCIATION DETAILS

The registered office, and principal place of business, of the association is:

58 Errol Street  
North Melbourne VIC 3051



The Dog Show Spring Fling 2018



Spanish Language Fiesta 2019



North west Women's Cuppa Club 2019



Spanish Language Fiesta 2019



Flash Mob – Youth Week 2019



Errol's Angels at Spring Fling 2018

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

## DECLARATION

Annual statements give a true & fair view of financial position and performance of the association.

**We, Karl Hessian and Michael Halls, being members of The Centre: Connecting Community in North and West Melbourne Incorporated, certify that -**

The annual financial statements attached to this certificate, as set out on pages 7 to 18, give a true and fair view of the financial position and performance of The Centre: Connecting Community in North and West Melbourne Incorporated, during and at the end of the financial year of the association ending on 30 June 2018.

Signed: \_\_\_\_\_  
Karl Hessian - Chairperson

Signed: \_\_\_\_\_  
Michael Halls - Treasurer

Dated this XX day of August 2019.

## **INDEPENDENT AUDITORS REPORT**

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

## **SOLVENCY STATEMENT**

Association able to pay its debts as and when they fall due

**We, Karl Hessian and Michael Halls, being members of The Centre: Connecting Community in North and West Melbourne Incorporated, certify that -**

At the meeting of the Board on the XX day of August 2019 the committee accepted the annual financial statements attached to this certificate, as set out on pages 7 to 18, and further resolved that as at the date of this certificate the association was solvent and able to pay its debts as and when they fall due.

Signed: \_\_\_\_\_  
Karl Hessian - Chairperson

Signed: \_\_\_\_\_  
Michael Halls - Treasurer

Dated this XX day of August 2019.

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

## RISK ATTESTATION

Attestation of compliance with the Australian/New Zealand Risk Management Standard

**We, Karl Hessian and Michael Halls, being members of The Centre: Connecting Community in North and West Melbourne Incorporated, certify that –**

- risk management processes are in place consistent with the Australian/New Zealand Risk Management Standard (or equivalent designated standard)
- an internal control system is in place that enables the management committee to understand, manage and satisfactorily control risk exposures
- the management committee have critically reviewed the risk profile of The Centre: Connecting Community in North and West Melbourne Inc. within the last 12 months.

Signed: \_\_\_\_\_  
Karl Hessian - Chairperson

Signed: \_\_\_\_\_  
Michael Halls - Treasurer

Dated this XX day of August 2019.

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

## **CERTIFICATION**

Certification by member of the Board

**I, Karl Hessian, certify that –**

- i. I attended the annual general meeting of The Centre: Connecting Community in North & West Melbourne Inc. held on them XX day of September 2019; and
- ii. That the annual financial statements for the year ended 30 June 2019 were submitted to the members of the association at its annual general meeting.

Signed: \_\_\_\_\_  
Karl Hessian - Chairperson

Dated this XX day of September 2019.

