



the centre

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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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 45 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 isolation 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. This year, despite the challenges associated with Covid -19, The Centre has continued to work in North Melbourne, West Melbourne and Melbourne Docklands, where we operate a 'Pop Up' Neighbourhood House in The District shopping precinct.

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 2021 were:

- Mr. Karl Hessian - Chair
- Mrs. Lorna Hannan - Vice Chair
- Mrs. Kathleen McPherson – Treasurer
- Mrs. Kay Oke - Secretary
- Mr Tom Seddon - Director
- Mr. Bill Liddy - Director
- Mr. Benjamin O'Connor - Director
- Mrs. Kay Oke - Secretary
- Ms. Kate Ritchie - Director
- Mr Garry Dowling - Director



The Committee has delegated responsibility for the day-to-day operation of The Centre to a Centre Director. The current Centre Director is Mr. Ariel Valent. Mr Valent was appointed to the role in December 2020, replacing Mr Tom Seddon who was The Centre Director for over 2 years. The Centre's programs and activities include educational programs, community activities and events including:



Like many organisations The Centre's activities have been severely impacted by the Covid-19 pandemic with both The Centre in Errol Street and The Pop Up at Docklands forced to close their doors during the lockdown periods. The Centre's regular program of activities has also been disrupted. Some of our regular programs like The Centre Adventures and Homework Club have had to cease during lockdowns. Others like the Pilates program and the Community Choir have continued remotely via Zoom. Unfortunately, as with last year, our flagship event Spring Fling, normally held in October each year, has once again been cancelled. We hope to hold some other activities in lieu of Spring Fling should conditions allow us to do so. Covid-19 support funding provided by government has allowed The Centre to retain all its current Staff. This has allowed the Centre to continue to support the local community during lockdown and will also allow us the resume activities without delay once the current restrictions have been lifted.

ACKNOWLEDGEMENTS



The Centre is a founding member of the Inner North Cluster

Key Partners & Supporters



Major Donors & Sponsors



City West Water

City West Water is a sponsor of the Spanish Language Fiesta.



Latin Books is a sponsor of The Spanish Language Fiesta.



Koguis Jewellery and Fair Trade Handicrafts is a sponsor of the Spanish Language Fiesta.

The Centre wishes to thank the above partners, supporters, donors and sponsors for their generosity as well as all those individuals that made donations directly or via our on-line fundraising campaigns, or volunteered their time, to support our Homework Club, Spring Fling, Spanish Language Fiesta, North n& West Melbourne News or other activities at The Centre. Thank you all.

Auditors

JP Hardwick & Associates

Mr Stephen George Le Couilliard IPA

Mr Michael Adasko CPA

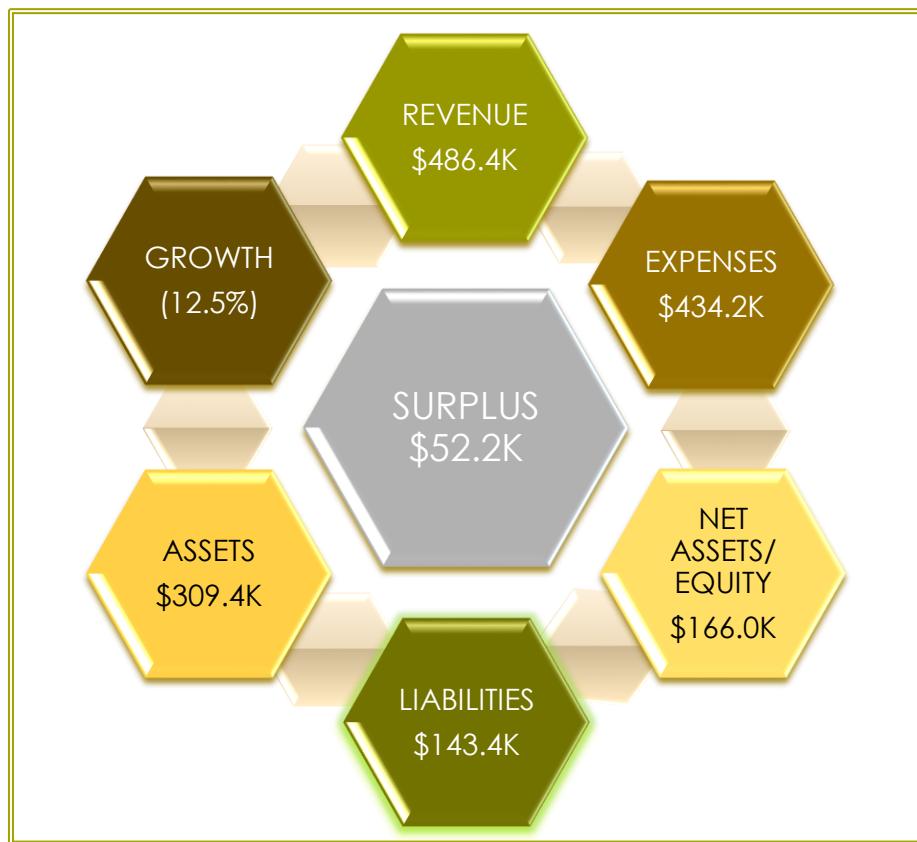
J P Hardwick & Associates

Unit 7, 617-643 Spencer Street

West Melbourne, VIC 3003

THE FINANCIAL YEAR AT A GLANCE

HEADLINES



KEY INDICATORS



SUMMARY FINANCIAL DATA & KEY INDICATORS

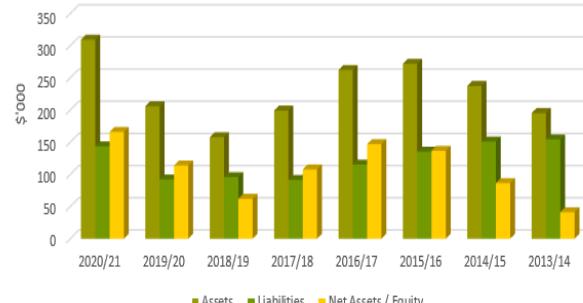
(a) Headline Data & Indicators - 7 Year Comparison

	2020/21 \$	2019/20 \$	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$
Income	486,359	556,079	518,988	497,509	518,152	522,839	468,903	431,295
Expenditure	434,165	504,317	564,688	536,880	507,697	472,605	408,677	466,419
Surplus / (Deficit)	52,194	51,762	(45,700)	(39,371)	10,455	50,234	60,226	(35,124)
Assets	309,350	205,938	157,640	199,082	262,112	271,805	237,387	195,331
Liabilities	143,395	92,177	95,641	91,383	115,043	135,191	151,007	154,126
Net Assets / Equity	165,955	113,761	61,999	107,699	147,069	136,614	86,380	32,873
Working capital ratio (target > 1.5)	2.1	2.3	1.6	2.1	2.3	1.9	1.4	1.1
Debt to equity ratio (target <1.0)	0.9	0.8	1.5	0.8	0.8	0.9	1.7	4.7

Operating Result



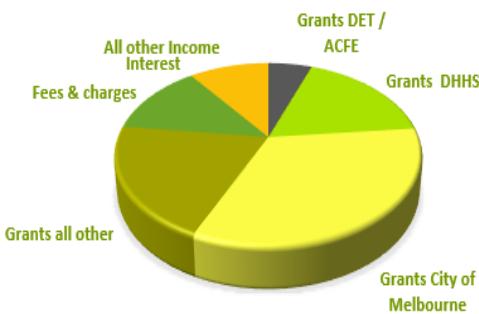
Assets & Liabilities



(b) Income - 7 Year Comparison

	2020/21 \$	2019/20 \$	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$
Grant income – DET / ACFE	26,897	46,220	60,624	76,653	60,504	141,510	58,689	109,888
Grant Income - DHHS	86,909	83,033	79,277	60,007	57,206	54,421	51,809	49,077
Grant Income – City of Melbourne	162,247	175,256	129,364	127,684	140,872	136,411	115,668	117,692
Grant income - all other	98,207	49,074	25,048	28,959	66,679	63,115	25,218	7,373
Fees & charges	62,752	98,941	130,288	119,953	113,601	91,214	87,489	80,996
Interest	385	698	1,921	1,947	1,857	562	431	950
All other Income	48,962	102,857	92,466	82,306	77,433	35,606	129,599	65,319
Total Income	486,359	556,079	518,988	497,509	518,152	522,839	468,903	431,295
Income growth on previous year	(12.5%)	7.1%	4.3%	(3.9%)	(0.9%)	11.5%	8.7%	22.8%
ACFE grants as % total income (target < 50%)	5.5%	8.3%	11.6%	15.4%	11.7%	27.1%	12.5%	25.4%
All grants as % total income (target < 75%)	77.0%	63.6%	56.7%	58.9%	62.8%	75.6%	53.6%	65.8%

Income Sources



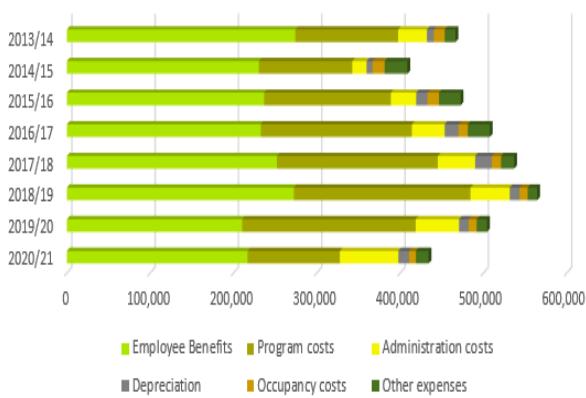
Income Growth



(c) Expenditure - 7 Year Comparison

	2020/21 \$	2019/20 \$	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$
Employee Benefits ¹	216,892	209,497	272,432	252,145	232,643	236,614	230,380	274,305
Program costs	110,835	207,384	212,026	193,103	181,549	152,195	112,137	123,227
Administration costs	70,185	53,802	47,043	44,793	39,293	30,399	17,262	34,709
Depreciation	12,757	11,488	11,724	19,904	16,630	13,604	7,100	8,183
Occupancy costs	8,239	9,690	9,790	11,123	11,115	13,867	14,559	13,132
Other expenses ²	15,257	12,458	11,529	15,812	26,467	25,926	27,239	12,863
Total expenses	434,165	504,317	564,688	536,880	507,697	472,605	408,677	466,419
Program cost ratio ³	25.5%	41.1%	37.5%	35.9%	35.8%	32.2%	27.4%	26.4%
Program investment ratio ⁴	60.5%	70.5%	71.3%	68.8%	67.8%	67.2%	66.9%	67.6%
Program investment split (Direct program: program support)	70:30	85:15	85:15	84:16	87:13	85:15	83:17	83:17
Total staffing (average FTE)	3.3	3.4	3.4	3.4	4.2	3.2	3.4	4.4
Staff cost ratio ¹	49.9%	41.5%	48.2%	46.9%	45.8%	50.1%	56.4%	58.9%
Cost of administration ⁴	31.2%	22.8%	22.4%	21.5%	21.4%	21.1%	21.1%	25.1%

Expenditure by Category



Expenditure by Activity Ratios



Financial Indicators



Staffing

Year	No. of Staff – Average FTE	Staff Cost %
2020/21	3.3	49.9%
2019/20	3.4	41.7%
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	46.0%

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

² Includes advertising, promotion, marketing & fundraising costs.

³ All ratios calculated as a % of total expenditure

⁴ Includes allocation of employee benefits as detailed above – see footnote 1.

CHAIR'S REPORT



Community groups and organisations are founded on relationships and maintained by personal connection. The necessary policy responses that are required to combat the pandemic must also curtail much of the activity and engagement that sustains such groups.

As with many other community organisations, the last year has been highly disruptive for The Centre. We have spent the last year adapting and revising programs, making plans and then shelving them, organising activities and cancelling them and then reinstating them and so on.

The Centre is neither special nor alone in that regard. The remarkable thing however is how successful The Centre's accomplishments have been given everything that has happened over the last year. It speaks volumes about the underlying and enduring need of the community to want to come together whenever it may safely do so.

More so than ever I thank the staff, contractors and volunteers, past and present, who have continued to do their work against a backdrop of high uncertainty. I have been deeply impressed at their commitment to their activities, fully understanding that they may not see their efforts come to fruition but working towards them regardless.

During the past year we bade farewell to our highly regarded Director Tom Seddon, who we then promptly welcomed as a member of the Committee of Management. We were very fortunate to secure the appointment of Ariel Valent as his replacement in December 2020, allowing for a period of crucial in-person hand-over.

In concluding I should like to thank the City of Melbourne and the Victorian State Government for their crucial and ongoing financial support.

Karl Hessian
Chair

September 2021

DIRECTOR'S REPORT



It was an honour to be appointed Director of The Centre in December 2020 and lead our dedicated team for the second half of the 2020-21 financial year.

Much of July-December 2020 was spent in lockdown while Melbourne struggled to contain an outbreak of COVID-19, an epicentre of which was in our neighbourhood. Through the long months of the 2020 lockdown, The Centre in Errol Street and the Pop Up Neighbourhood House in Docklands were both closed, and staff worked from home.

Many hours were spent on the phone, online and through social media with local community members to ensure that people could fulfil their basic needs and to create social connections, particularly for isolated older people. The Centre also supported other agencies that provided direct relief and acted as a hub for providing reliable locally relevant information. Many of our ongoing community programs were suspended, while others were able to continue online. Spring Fling could not go ahead. The Centre was heartened by the resilience and mutual support offered within the North and West Melbourne communities, and with people restricted to five kilometres from home, many were more connected to their local community than in pre-COVID times.

Towards the end of 2020, restrictions eased, allowing more people to come together. The end-of-year celebration on Errol Street also served as a new beginning. The Centre finally opened its doors on January 11, 2021. From that point forward, our programs were delivered largely as hoped. The Spanish Language Fiesta in March was a highlight, as was April's Come & Try Day. Home Away From Homework Club returned at full strength at the beginning of Term 1, health and wellbeing programs could return to in-person delivery and the long-standing community choir was reinvented as SING NoW!, commencing with an enthusiastic group in a new venue and with a new music director. The Live Like a Local program gave international students still in Melbourne a diverse range of cultural and social opportunities.

The Centre's experiment with a Pop-Up Neighbourhood House in Docklands continued through lockdowns and relative freedom. Online cooking sessions were a hit during lockdown, and the establishment and development of the District Docklands Community Garden was a very important achievement in an area lacking in both green and communal spaces.

Special mention must be made of the North & West Melbourne News whose volunteer team kept the flow of local news, views and information going despite the challenges of COVID-19 restrictions. Receiving the Community Newspaper Association of Victoria Award for Best Design & Layout, plus other commendations, is a fitting tribute for this long-standing community institution.

Financially, The Centre benefitted greatly from Job Keeper, and other government support offered in direct response to COVID-19 restrictions. Despite our ability to earn income being severely curtailed, The Centre posted a surplus for the second year in a row. Following a similar result in 2019-20, The Centre is in good financial health, and is well placed to serve existing and emerging needs in our local communities in coming years.

Sincere thanks to the voluntary Board of Management, to the dedicated staff, to all the volunteers, to our growing membership base and to our funders and supporters.

Ariel Valent
Director

September 2021

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		\$	\$
INCOME			
Government and other grants			
- City of Melbourne	2	162,247	175,985
- Department of Education and Training (DET)	2	26,897	46,220
- Department of Health & Human Services (DHHS)	2	86,909	83,033
- Other	2	98,207	48,345
Course and activity fees	2	62,752	98,941
Other income	2	49,347	103,556
TOTAL INCOME		486,359	556,080
EXPENDITURE			
Employee benefits	3	(216,892)	(209,497)
Advertising and promotion		(6,789)	(1,252)
Depreciation	8	(12,757)	(11,487)
Occupancy costs		(8,239)	(9,690)
Program costs - contractors	4	(44,829)	(98,411)
Program costs - other	4	(66,006)	(108,973)
Other expenses	5	(78,653)	(65,008)
TOTAL EXPENDITURE		(434,165)	(504,318)
NET RESULT FOR THE PERIOD	16	52,194	51,762
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD		52,194	51,762

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 2021

	Note	2021	2020
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	6	275,934	157,569
Receivables	7	14,514	19,914
Prepayments & other current assets		4,341	4,367
Total current assets		294,789	181,850
Non-current assets			
Property, plant, and equipment	8	14,561	24,088
Total non-current assets		14,561	24,088
TOTAL ASSETS		309,350	205,938
LIABILITIES			
Current liabilities			
Payables	9	39,899	24,156
Provisions	12	23,178	23,726
Income received in advance	10	76,634	25,327
Project funds held	11	-	4,951
Total current liabilities		139,711	78,160
Non-current liabilities			
Provisions	12	3,684	14,017
Total non-current liabilities		3,684	14,017
TOTAL LIABILITIES		143,395	92,177
NET ASSETS		165,955	113,761
EQUITY			
Reserves		18,592	18,592
Retained earnings		147,363	95,169
TOTAL EQUITY	13	165,955	113,761

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Note	Retained Earnings	Reserves	TOTAL
		\$	\$	\$
BALANCE AT 30 JUNE 2019		43,407	18,592	61,999
Comprehensive income (expense) for the year		51,762	-	51,762
Amount transferred (to) from reserves		-	-	-
BALANCE AT 30 JUNE 2020		95,169	18,592	113,761
Comprehensive income (expense) for the year		52,194	-	52,194
Amount transferred (to) from reserves		-	-	-
BALANCE AT 30 JUNE 2021	13	147,363	18,592	165,955

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Government and other grants		536,548	353,583
Other receipts		71,238	182,563
Employee benefits paid		(253,700)	(189,524)
Payments to suppliers		(232,491)	(287,761)
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	14	121,595	58,861
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(3,230)	(13,421)
Proceeds from sale of property, plant and equipment		-	-
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES		(3,230)	(13,421)
CASH FLOW FROM FINANCING ACTIVITIES			
Net interest received (paid)		-	-
Equity invested in Non-current Assets		-	-
Equity invested in Operating Activities		-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES		-	-
NET INCREASE (DECREASE) IN CASH HELD		118,365	45,440
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		157,569	112,129
CASH AND CASH EQUIVALENTS AT END OF YEAR	6	275,934	157,569

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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 2021 and the comparative information for the year ended 30 June 2020

(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 more than 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**

General 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.

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.

(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) **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.

(i) **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 theories 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.



Photography Awards – Let's Stay Connected Project (Project Partnership with B.Friend.org)



Community Garden at Docklands



N&WM News – Writers Meeting

NOTE 2. GRANTS & OTHER INCOME

	2021	2020
	\$	\$
Grants		
City of Melbourne	162,248	175,985
Department of Education and Training (DET)	26,897	46,220
Department of Health & Human Services (DHHS)	86,909	83,033
Other Grants	98,207	48,345
Total grants	374,261	353,583
Trading & Other Income		
North & West Melbourne News advertising and subscription revenue	22,223	15,857
Spring Fling Festival sponsorship and stall hire revenue	-	29,061
Community choir membership fees	3,121	6,830
Course Fees	37,407	67,841
Interest	385	698
All other	48,962	82,210
Total Trading & other income	112,098	202,497
Total income	486,359	556,080

NOTE 3. EMPLOYEE BENEFITS

	2021	2020
	\$	\$
Salaries and wages		
Wage Subsidies (Job Keeper)	(78,300)	(27,000)
Leave provisions	(9,187)	5,758
Superannuation	22,383	19,120
Workcover	4,341	3,021
Other benefits	1,033	549
Total employee benefits	216,891	209,497

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 Spanish Language Fiesta held in March 2021 along with a virtual presentation of this event held in December 2020. Due to Covid-19 restrictions Spring Fling which would have been held in October 2020 was cancelled.

NOTE 5. OTHER EXPENSES

	2021	2020
	\$	\$
Audit fees		
Bank charges	496	859
Communications	3,425	3,137
Computer and IT costs	5,005	7,781
Other staffing & volunteer costs	770	1,111
Meeting and governance expenses	801	994
Printing and stationery	14,401	14,561
All other expenses	51,955	34,865
Total other expenses	78,653	65,008

NOTE 6. CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Cash in bank accounts	175,069	137,088
Cash in term deposits	100,465	20,081
Cash on hand	400	400
Total cash and cash equivalents	275,934	157,569

NOTE 7. RECEIVABLES

	2021	2020
	\$	\$
Trade and sundry debtors	14,514	19,914
Provision for doubtful debts	-	-
Total receivables	14,514	19,914

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

	2021	2020
	\$	\$
Office furniture and equipment:		
At cost	25,488	22,311
Accumulated depreciation	(18,765)	(14,501)
At Fair Value	13,521	13,521
Accumulated depreciation	(13,521)	(13,521)
Total office furniture & equipment	6,723	7,810
Program Equipment:		
At cost	43,396	43,342
Accumulated depreciation	(35,558)	(27,064)
At Fair Value	3,452	3,452
Accumulated depreciation	(3,452)	(3,452)
Total program equipment	7,838	16,278
Total property, plant, and equipment	14,561	24,088

(a) Movements in carrying amounts

	PROGRAM EQUIPMENT	OFFICE FURNITURE & EQUIPMENT	TOTAL
	\$	\$	\$
Carrying amount at 30 June 2019	18,197	3,957	22,154
Additions	6,927	6,494	13,421
Disposals	-	-	-
Depreciation expense	(8,846)	(2,641)	(11,487)
Carrying amount at 30 June 2020	16,278	7,810	24,088
Additions	54	3,176	3,230
Disposals	-	-	-
Depreciation expense	(8,494)	(4,263)	(12,757)
Carrying amount at 30 June 2021	7,838	6,723	14,561

NOTE 9. PAYABLES

	2021	2020
	\$	\$
Trade and sundry creditors	35,139	9,594
Goods and services tax payable	1,658	11,236
Pay-as-you-go withholding tax payable	2,902	3,126
Superannuation payable	-	-
Bonds Held	200	200
Total payables	39,899	24,156

NOTE 10. INCOME RECEIVED IN ADVANCE

	2021	2020
	\$	\$
Grants in advance	71,274	20,459
Fees in advance	5,360	4,868
Total income received in advance	76,634	25,327

NOTE 11. PROJECT FUNDS HELD

	2021	2020
	\$	\$
Docklands Residents Association	-	4,951
Total project funds held	-	4,951

NOTE 12. PROVISIONS

	2021	2020
	\$	\$
Current		
Employee benefits		
Annual leave	22,194	23,726
Long-service leave	984	-
Total current	23,178	23,726
Non-current		
Employee benefits		
Long-service leave	3,684	14,017
Total non-current	3,684	14,017
Total provisions	26,862	37,743

(a) Movements in carrying amounts

	ANNUAL LEAVE \$	LONG SERVICE LEAVE \$	TOTAL \$
Carrying amount at 30 June 2019	21,524	13,866	35,390
Net provisions made during year	2,202	151	2,353
Carrying amount at 30 June 2020	23,726	14,017	37,743
Net provisions made during year	(1,532)	(9,349)	(10,881)
Carrying amount at 30 June 2021	22,194	4,668	26,862

NOTE 13. EQUITY AND RESERVES

(a) Movements in carrying amounts

	ASSET REVALUATION RESERVE \$	RETAINED EARNINGS \$	TOTAL EQUITY \$
Balance at 30 June 2019	18,592	43,407	61,999
Increase (decrease) for year	-	51,762	51,762
Balance at 30 June 2020	18,592	95,169	113,761
Increase (decrease) for year	-	52,194	52,194
Balance at 30 June 2021	18,592	147,363	165,955

(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

	2021 \$	2020 \$
Reconciliation of net result from statement of comprehensive income with cash flow from operating activities		
Net result for the period	52,194	51,762
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	12,757	11,487
Net (gain) loss on disposal of non-current assets	-	-
Changes in operating assets and liabilities		
(Increase) decrease in receivables	5,400	(2,221)
(Increase) decrease in prepayments & other current assets	26	1,298
Increase (decrease) in payables	15,743	(5,688)
Increase (decrease) in provisions	(10,881)	2,353
Increase (decrease) in project funds held	(4,951)	4,951
Increase (decrease) in income received in advance & other current liabilities	51,307	(10,780)
Net cash inflow (outflow) from operating activities	121,595	58,861

NOTE 15. OPERATING LEASE COMMITMENTS

The Centre had a 48-month operating lease on photocopy equipment which commenced in August 2019. At balance date the remaining lease commitment was \$4,238 (2020: \$6,194).

The Centre also has a peppercorn lease arrangement on property. The applicable lease commitment at balance date was \$104 (2020: \$104).

NOTE 16. AUDITORS' REMUNERATION

	2021 \$	2020 \$
Remuneration of the auditors of the association		
Audit of the annual financial report	1,800	1,700
Total auditors' remuneration	1,800	1,700

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	-	11	12
Mrs. Kathleen McPherson - Treasurer	30 September 2013	-	10	12
Mr. Gary Dowling - Director	21 September 2020	-	8	9
Mr. Tom Seddon - Director	30 November 2020	-	4	5
Mrs. Margaret Wood - Director	30 September 2013	21 September 2020	3	3
Mr. Bill Liddy - Director	26 October 2009	-	12	12
Mr. Benjamin O'Connor - Director	22 June 2015	-	6	12
Ms. Lorna Hannah - Vice Chair	7 October 2019	-	11	12
Mrs. Kay Oke - Secretary	7 October 2019	-	11	12
Ms. Kate Ritchie - Director	24 February 2020	-	10	12

* 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 2021 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



ANZAC Day Ceremony at North Melbourne Cenotaph



Christmas Celebrations – Errol Street (Partnership with NWMPA)



Christmas at the Pop-Up Neighbourhood House at Docklands



Come & Try Day – Human Library Project

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 Kathleen McPherson, 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 9 to 20, 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 2021

Signed: 
Karl Hessian - Chairperson

Signed: 
Kathleen McPherson - Treasurer

Dated this 27th day of September 2021

INDEPENDENT AUDITORS REPORT

Independent Auditors Report to the Members of The Centre: Connecting Community in North & West Melbourne Inc.

Scope

We have audited the financial statements of The Centre: Connecting Community in North & West Melbourne Inc. (the "Association") which comprises of the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, for the year ended 30th June 2021. The Committee is responsible for the financial statements. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements, so as to present a view which is consistent with our understanding of the Association's financial position, the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial statements present fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements the financial position of The Centre: Connecting Community in North & West Melbourne Inc. as at 30th June 2021 and of the results of its operations for the year then ended.

DATED this 27th day of September 2021.



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Stephen George Le Couilliard
ASIC Registered Company Auditor No:8579
JP Hardwick & Associates
Unit 7, 617-643 Spencer Street
West Melbourne, VIC 3003

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 Kathleen McPherson, being members of The Centre: Connecting Community in North and West Melbourne Incorporated, certify that -

At the meeting of the Board on the 27th day of September 2021 the committee accepted the annual financial statements attached to this certificate, as set out on pages 9 to 20, 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: 
Kathleen McPherson - Treasurer

Dated this 27th day of September 2021.

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 Kathleen McPherson, 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: 
Kathleen McPherson - Treasurer

Dated this 27th day of September 2021.

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 27th day of September 2021; and
- ii. That the annual financial statements for the year ended 30 June 2021 were submitted to the members of the association at its annual general meeting.

Signed: 
Karl Hessian - Chairperson

Dated this 27th day of September 2021.

