



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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



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The Centre at 58 Errol Street.



The Centre celebrated 40 years of service to the North and West Melbourne Community in 2017.

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 operated for over 41 years having celebrated 40 years of service to the North and West Melbourne Community in 2016. The Centre 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 2016 were:

- ✚ Mr. Karl Hessian - Chairperson
- ✚ Mr. Malcolm Peacock - Director
- ✚ Ms. Margaret Wood - Secretary
- ✚ Ms. Kathleen McPherson - Vice Chairperson
- ✚ Mr. Bill Liddy - Director
- ✚ Mr. Benjamin O'Connor - Director
- ✚ Ms. Tianhong Wu - Director
- ✚ Ms. Pam Hargreaves - Director

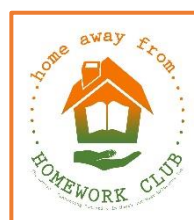
At the time of publication of this report the Office of Treasurer was vacant.

During the year two directors retired from the committee. They were:

- ✚ Ms. Doone Clifton – Treasurer (retired 26 September 2016)
- ✚ Ms. Alison Hindson – Director (retired 26 September 2016)

The Committee has delegated responsibility for the day to day operation of The Centre to a Centre Director. The current Centre Director is Mr. Michael Halls.

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



ACKNOWLEDGEMENTS



These financial statements include financial information for Errol's Angels Community Choir Inc. ABN: 47 415 008 045.



The Centre is a founding member of the INC Co-operative

Key Partners & Supporters



Major Donors



AMP Limited was major donor supporting our Workout program.

Mr Ray Wilson was also a major donor supporting our Workout program.



Errol's Angel's Community Choir raised \$2000.00 to support our Homework Club.

The Centre wishes to thank the above donors for their generosity as well as all those individuals that supported our on-line fundraising campaign that raised over \$4,500.00 to support our Homework Club. Thank you all.

Auditor



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

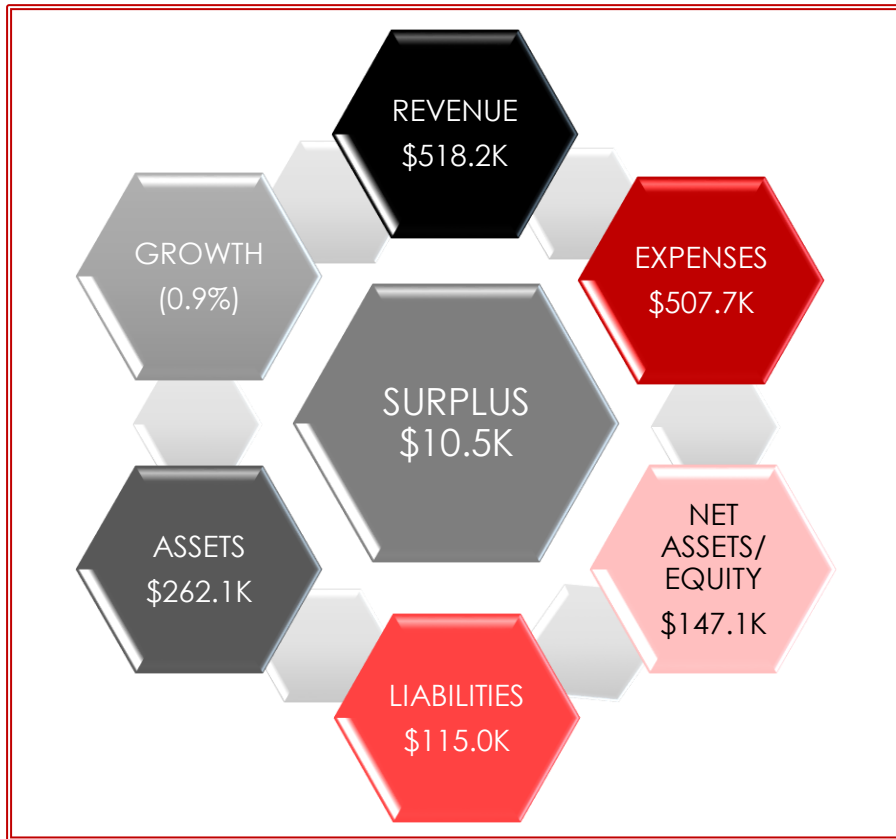
During the course of the year The Centre's Auditor, Mr Eugene Odachowski, principal of J.P. Hardwicke & Associates, and the principals of the firm ABR Partners Pty Ltd, agreed to a merger. The two firms had been working closely together for some time. Whilst still a principal in the merged entity, the merger offered Mr Odachowski the opportunity to cease public practice in a timely manner, without disrupting service to his existing clients. As such Mr Michael Adasko CPA, a partner in the new company, has taken over this year as Auditor for The Centre.

During his tenure as Auditor Mr Odachowski provided sound financial advice and support to The Centre during a challenging period of significant change and transition. Whilst The Centre is very grateful for the seamless handover to our new Audit Partner, it is with great sadness that we farewell Eugene.

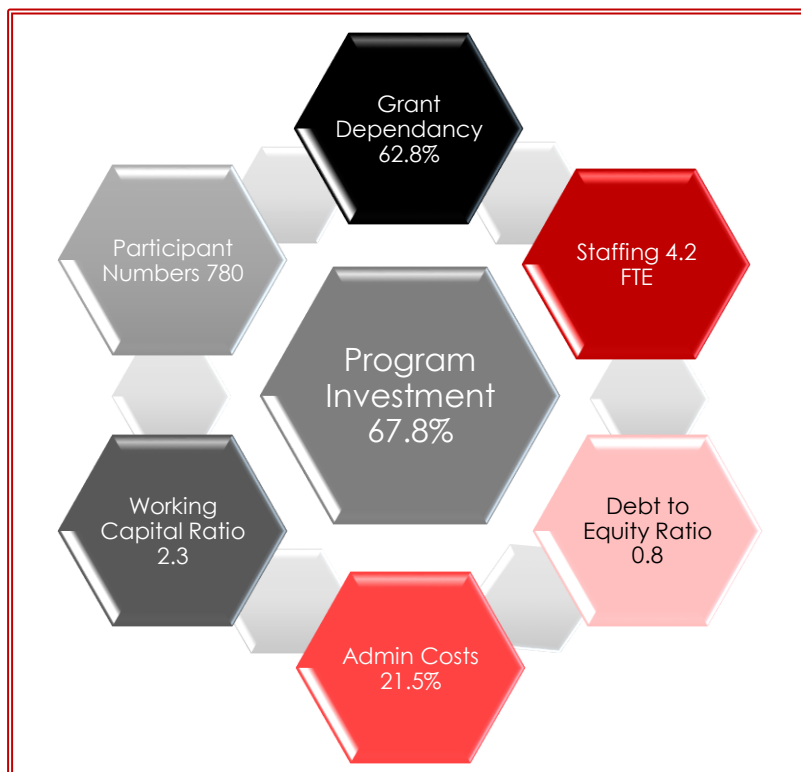
The Centre's Committee, Management, Staff and Volunteers would like to offer their sincere thanks to Mr Odachowski for his service as the Centre's Auditor. It is with fond memory that we wish him the very best for the future.

THE FINANCIAL YEAR AT A GLANCE

HEADLINES



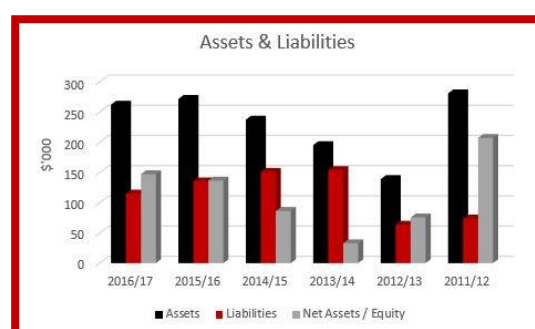
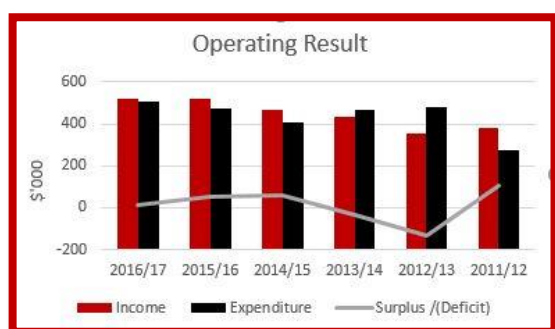
KEY INDICATORS



SUMMARY FINANCIAL DATA & KEY INDICATORS

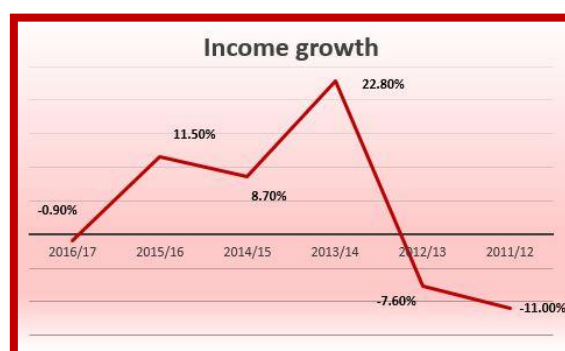
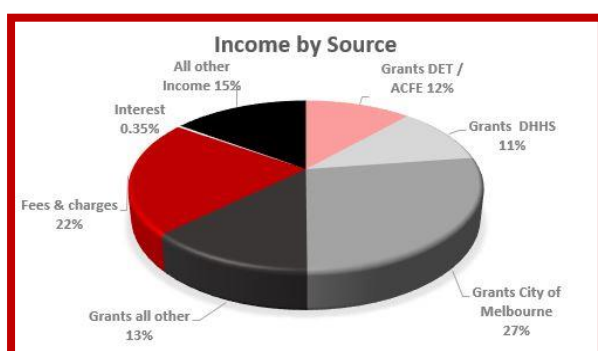
(a) Headline Data & Indicators - 5 Year Comparison

	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
	\$	\$	\$	\$	\$	\$
Income	518,152	522,839	468,903	431,295	351,192	380,349
Expenditure	507,697	472,605	408,677	466,419	482,760	274,139
Surplus /(Deficit)	10,455	50,234	60,226	(35,124)	(131,568)	106,210
Assets	262,112	271,805	237,387	195,331	139,036	280,906
Liabilities	115,043	135,191	151,007	154,126	63,450	73,752
Net Assets / Equity	147,069	136,614	86,380	32,873	75,586	207,154
Working capital ratio (target > 1.5)	2.3	1.9	1.4	1.1	2.0	3.7
Debt to equity ratio (target <0.8)	0.8	0.9	1.7	4.9	0.8	0.4



(b) Income - 5 Year Comparison

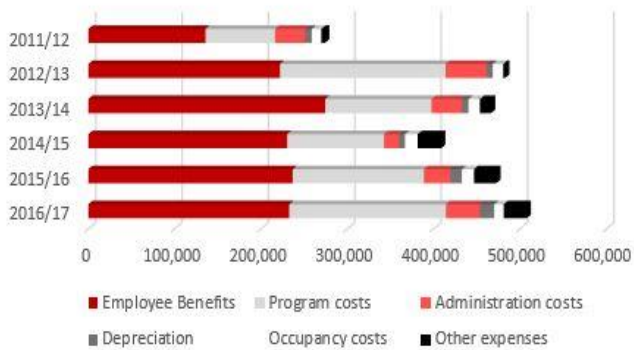
	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
	\$	\$	\$	\$	\$	\$
Grant income – DET / ACFE	60,504	141,510	58,689	109,888	65,281	74,558
Grant Income - DHHS	57,206	54,421	51,809	49,077	46,380	44,495
Grant Income – City of Melbourne	140,872	136,411	115,668	117,692	140,007	177,290
Grant income - all other	66,679	63,115	25,218	7,373	13,500	17,891
Fees & charges	113,601	91,214	87,489	80,996	54,093	44,926
Interest	1,857	562	431	950	6,610	9,537
All other Income	77,433	35,606	129,599	65,319	25,321	11,652
Total Income	518,152	522,839	468,903	431,295	351,192	380,349
Income growth on previous year	(0.9%)	11.5%	8.7%	22.8%	(7.6%)	(11.0%)
ACFE grants as % total income (target < 50%)	11.67%	27.1%	12.5%	25.4%	18.5%	19.6%
All grants as % total income (target < 75%)	62.8%	75.6%	53.6%	65.8%	75.5%	82.6%



(c) Expenditure - 5 Year Comparison

	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$	2012/13 \$	2011/12 \$
Employee Benefits ¹	232,643	236,614	230,380	274,305	221,936	135,676
Program costs	181,549	152,195	112,137	123,227	191,936	80,568
Administration costs	39,293	30,399	17,262	34,709	47,179	34,643
Depreciation	16,630	13,604	7,100	8,183	7,393	7,918
Occupancy costs	11,115	13,867	14,559	13,132	12,136	10,997
Other expenses ²	26,467	25,926	27,239	12,863	2,180	4,337
Total expenses	507,697	472,605	408,677	466,419	482,760	274,139
Program cost ratio ³	35.8%	32.2%	27.4%	26.4%	39.8%	29.4%
Program investment ratio ⁴	67.8%	67.2%	66.9%	67.6%	71.9%	64.0%
Program investment split (Direct program: program support)	87:13	85:15	83:17	83:17	87:13	85:15
Total staffing (average FTE)	4.2	3.2	3.4	4.4	3.0	1.8
Staff cost ratio ¹	45.8%	50.1%	56.4%	58.9%	46.0%	49.5%
Cost of administration ⁴	21.5%	21.4%	21.1%	25.1%	23.6%	27.5%

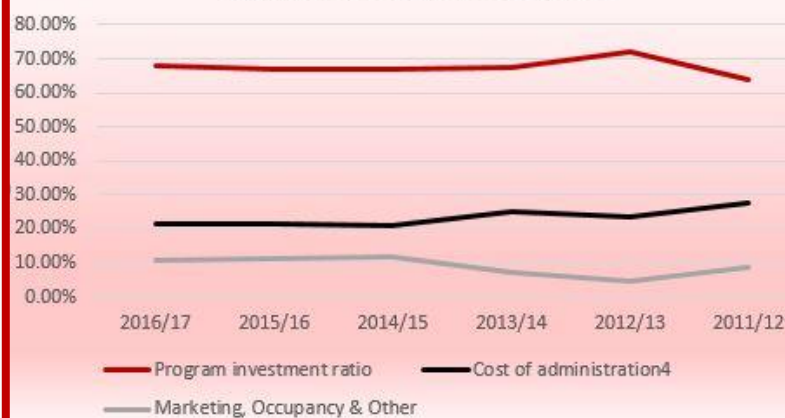
Expenditure by Category



Staffing

Year	Staff (FTE)	Staff Cost %
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%
2011/12	1.8	49.5%

Expenditure by Activity Ratios



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.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
INCOME			
Government and other grants			
- City of Melbourne	2	140,872	136,411
- Department of Education and Training	2	60,504	141,510
- Department of Human Services	2	57,206	54,421
- Other	2	66,679	63,115
Course and activity fees	2	113,601	91,214
Other income	2	79,290	36,168
TOTAL INCOME		518,152	522,839
EXPENDITURE			
Employee benefits	3	(232,643)	(236,641)
Advertising and promotion		(12,460)	(4,330)
Depreciation	8	(16,630)	(13,604)
Occupancy costs		(11,115)	(13,867)
Program costs - contractors	4	(93,781)	(67,958)
Program costs - other	4	(87,768)	(84,237)
Other expenses	5	(53,300)	(51,968)
TOTAL EXPENDITURE		(507,697)	(472,605)
NET RESULT FOR THE PERIOD	16	10,455	50,234
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD		10,455	50,234

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	188,783	190,111
Receivables	7	23,105	32,660
Prepayments & other current assets		7,821	5,821
Total current assets		219,709	228,592
Non-current assets			
Property, plant and equipment	8	42,403	43,213
Total non-current assets		42,403	43,213
TOTAL ASSETS		262,112	271,805
LIABILITIES			
Current liabilities			
Payables	9	18,693	19,174
Provisions	12	17,608	26,756
Income received in advance	10	53,885	65,039
Project funds held	11	6,190	6,844
Total current liabilities		93,376	117,813
Non-current liabilities			
Provisions	12	18,667	17,378
Total non-current liabilities		18,667	17,378
TOTAL LIABILITIES		115,043	135,191
NET ASSETS		147,069	136,614
EQUITY			
Reserves		18,592	18,592
Retained earnings		128,477	118,022
TOTAL EQUITY	13	147,069	136,614

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	Note	Retained Earnings	Reserves	TOTAL
		\$	\$	\$
BALANCE AT 30 JUNE 2015		67,788	18,592	86,380
Comprehensive income (expense) for the year		50,234	-	50,234
Amount transferred (to) from reserves		-	-	-
BALANCE AT 30 JUNE 2016		118,022	18,592	136,614
Comprehensive income (expense) for the year		10,455	-	10,455
Amount transferred (to) from reserves		-	-	-
BALANCE AT 30 JUNE 2017	13	128,477	18,592	147,069

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Government and other grants		315,242	340,017
Other receipts		232,633	248,841
Employee benefits paid		(211,270)	(236,641)
Payments to suppliers		(321,836)	(281,108)
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	14	14,769	71,109
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(16,098)	(18,110)
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES		(16,098)	(18,110)
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		(1,329)	52,999
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		190,111	137,112
CASH AND CASH EQUIVALENTS AT END OF YEAR	6	188,782	190,111

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements prepared in order 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 accruals 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 2017 and the comparative information for the year ended 30 June 2016.

(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

Depreciation rate

Office furniture and equipment:

 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 2016



Volunteers Afternoon Tea 2017

NOTE 2. GRANTS & OTHER INCOME

	2017 \$	2016 \$
Grants		
City of Melbourne	140,872	136,411
Department of Education and Training	60,504	141,510
Department of Human Services	57,206	54,421
Other Grants	66,679	63,115
Total grants	325,261	395,457
Trading & Other Income		
North & West Melbourne News advertising and subscription revenue	9,088	11,196
Spring Fling Festival sponsorship and stall hire revenue	41,933	9,329
Course Fees	91,582	91,214
Interest	1,857	562
All other	48,431	15,081
Total other income	192,891	127,382
Total grants & other income	518,152	522,839

NOTE 3. EMPLOYEE BENEFITS

	2017 \$	2016 \$
Salaries and wages	220,155	197,644
Leave provisions	(7,860)	16,608
Superannuation	20,348	18,104
Workcover	-	4,285
Total employee benefits	232,643	236,641

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. This year also includes expenditure for the Spanish Language Fiesta which The Centre organised on behalf of the North and West Melbourne Precinct Association. The current period includes project expenses relating to the delivery of the most recent Spring Fling Festival held in October 2016 and the Spanish Language Fiesta held in April 2017.

NOTE 5. OTHER EXPENSES

	2017 \$	2016 \$
Audit fees	1,650	1,650
Bank charges	854	887
Communications	3,937	3,842
Computer and IT costs	6,801	5,928
Other staffing costs	6,178	1,390
Meeting and governance expenses	3,802	2,681
Printing and stationery	15,258	9,664
All other expenses	14,820	25,926
Total other expenses	53,300	51,968

NOTE 6. CASH AND CASH EQUIVALENTS

	2017	2016
	\$	\$
Cash in bank accounts	188,483	189,811
Cash in term deposits	-	-
Cash on hand	300	300
Total cash and cash equivalents	188,783	190,111

NOTE 7. RECEIVABLES

	2017	2016
	\$	\$
Trade and sundry debtors	24,568	36,660
Provision for doubtful debts	(1,463)	(4,000)
Total receivables	23,105	32,660

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

	2017	2016
	\$	\$
Office furniture and equipment:		
At cost	13,876	7,062
Accumulated depreciation	(5,581)	(2,538)
At Fair Value	25,739	26,131
Accumulated depreciation	(15,529)	(7,862)
Total office furniture & equipment	18,505	22,793
Program Equipment:		
At cost	27,084	17,800
Accumulated depreciation	(5,356)	(1,377)
At Fair Value	5,824	5,824
Accumulated depreciation	(3,654)	(1,827)
Total program equipment	23,898	20,420
Total property, plant and equipment	42,403	43,213

(a) Movements in carrying amounts

	PROGRAM EQUIPMENT \$	OFFICE FURNITURE & EQUIPMENT \$	TOTAL \$
Balance at 30 June 2015	5,824	32,884	38,708
Additions	17,800	309	18,109
Depreciation expense	(3,204)	(10,400)	(13,604)
Carrying amount at 30 June 2016	20,420	22,793	43,213
Additions	9,284	6,814	16,098
Disposals	-	(278)	(278)
Depreciation expense	(5,806)	(10,824)	(16,630)
Carrying amount at 30 June 2017	23,898	18,505	42,403

NOTE 9. PAYABLES

	2017	2016
	\$	\$
Trade and sundry creditors	6,455	7,067
Goods and services tax payable	7,846	9,687
Pay-as-you-go withholding tax payable	4,192	2,420
Superannuation payable	-	-
Bonds Held	200	-
Total payables	18,693	19,174

NOTE 10. INCOME RECEIVED IN ADVANCE

	2017	2016
	\$	\$
Grants in advance	24,839	35,175
Fees in advance	29,046	29,865
Total income received in advance	53,885	65,039

NOTE 11. PROJECT FUNDS HELD

	2016	2016
	\$	\$
Errol's Angels Community Choir Project	6,190	6,844
Total project funds held	6,190	6,844

NOTE 12. PROVISIONS

	2016	2016
	\$	\$
Current		
Employee benefits		
Annual leave	17,608	26,756
Total current	17,608	26,756
Non-current		
Employee benefits		
Long-service leave	18,666	17,378
Total non-current	18,666	17,378
Total provisions	36,274	44,134

(a) Movements in carrying amounts

	ANNUAL LEAVE \$	LONG SERVICE LEAVE \$	TOTAL \$
Balance at 30 June 2015	15,955	11,613	27,568
Net provisions made during year	10,801	5,765	16,566
Carrying amount at 30 June 2016	26,756	17,378	44,134
Net provisions made during year	(9,148)	1,288	(7,860)
Carrying amount at 30 June 2017	17,608	18,666	36,274

NOTE 13. EQUITY AND RESERVES

(a) Movements in carrying amounts

	ASSET REVALUATION RESERVE \$	RETAINED EARNINGS \$	TOTAL EQUITY \$
Balance at 30 June 2015	18,592	67,788	86,380
Increase (decrease) for year	-	50,234	50,234
Balance at 30 June 2016	18,592	118,022	136,614
Increase (decrease) for year	-	10,455	10,455
Balance at 30 June 2017	18,592	128,477	147,069

(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

	2017 \$	2016 \$
Reconciliation of net result from statement of comprehensive income with cash flow from operating activities		
Net result for the period	10,455	60,226
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	16,907	13,604
Net (gain) loss on disposal of non-current assets	-	-
Changes in operating assets and liabilities		
(Increase) decrease in receivables	9,555	(10,146)
(Increase) decrease in prepayments & other current assets	(2,000)	33,232
Increase (decrease) in payables	(620)	(30,531)
Increase (decrease) in provisions	(7,860)	16,566
Increase (decrease) in project funds held	(654)	1,120
Increase (decrease) in income received in advance & other current liabilities	(11,014)	(2,970)
Net cash inflow (outflow) from operating activities	14,769	71,109

NOTE 15. OPERATING LEASE COMMITMENTS

The Centre has a 24-month operating lease on photocopy equipment which commenced in February 2016. At balance date, the remaining lease commitment was \$1,728 (2016: \$4,321).

The Centre also has a peppercorn lease arrangement on property. The applicable lease commitment at balance date was \$10 (2016: \$10).

NOTE 16. AUDITORS' REMUNERATION

	2017 \$	2016 \$
Remuneration of the auditors of the association		
Audit of the annual financial report	1,650	1,650
Total auditors' remuneration	1,650	1,650

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 - Chairperson	1 February 2010	-	8	10
Mrs. Kathleen McPherson - Vice Chairperson	30 September 2013	-	7	10
Mr. Malcolm Peacock - Director	30 September 2013	-	9	10
Ms. Doone Clifton - Treasurer	29 November 2011	26 September 2016	2	3
Mrs. Margaret Wood - Secretary	30 September 2013	-	8	10
Ms. Pam Hargraves - Director	26 September 2016	-	3	6
Ms. Alison Hindson - Director	25 July 2016	26 September 2016	2	3
Mr Bill Liddy - Director - Director	26 October 2009	-	9	10
Mr. Benjamin O'Connor - Director	22 June 2015	-	7	10
Ms. Tianhong Wu - Director	23 November 2015	-	6	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 subsequent to the balance date on 30 June 2017 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



Spanish Language Fiesta 2017



Spring Fling 2016



Spring Fling 2016

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 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 2017.

Signed: _____
Karl Hessian - Chairperson

Signed: _____
Kathleen McPherson - Vice Chairperson

Dated this day of 2017.

INDEPENDENT AUDITORS REPORT

To Be Inserted

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 28th day of August 2017 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: _____
Kathleen McPherson - Vice Chairperson

Dated this day of 2017.

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 - Vice Chairperson

Dated this day of 2017.

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 the 25th day of September 2017; and
- ii. That the annual financial statements for the year ended 30 June 2017 were submitted to the members of the association at its annual general meeting.

Signed: _____
Karl Hessian - Chairperson

Dated this day of 2017.

