ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557

FINANCIAL STATEMENTS
for the year ended
31 December 2016

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ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557

COMMITTEE OF MANAGEMENT REPORT

Your Committee of Management submit the special purpose financial report of Arts North West Incorporated for the year ended 31 December 2016.

BOARD OF DIRECTORS

The names of the members of the Committee of Management during the year and at the date of this report are:

Francis Young (appointed Nov 2016)	Chris Newbigin	Sue Price
Kent Mayo	Anna Watt	Alan Davison
Kay Delahunt	Angela Doering (resigned Oct 2016)	Tania Hartigan
Jocellin Janssen (elected 5/3/2016)	Sandy McNaughton	Rebecca Ryan
Peter O'Donahue (elected 5/3/2016)	Andrew Sharp	Gary Verri
Herman Beyersdorf (resigned 5/3/2016)	Penny Jobling (resigned 5/3/2016)	

PRINCIPAL ACTIVITIES

The principal activity of the Association during the financial year was to create and manage cultural projects to benefit the community.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

RESULTS OF OPERATIONS

The Surplus / (Deficit) of the Association for the year ended 31 December 2016 was a profit of $9,952 (2015: Profit $1,580).

Signed in accordance with a resolution of the Members of the Board of Directors.

Director:………………………………………

Director:………………………………………

Dated: 18 March 2017

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557

STATEMENT BY COMMITTEE OF MANAGEMENT

The Committee of Management of the Association declare that:

1. The financial statements and notes, as attached hereto present a true and fair view of the financial position of Arts North West Incorporated as at 31 December 2016 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial report.

2. In the Committee of Management's opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:

Director:………………………………………

Director:………………………………………

Dated: 18 March 2017

Independent Auditor's Report
To the Members of
Arts North West Incorporated

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Arts North West Incorporated, which comprises the statement of financial position as at 31 December 2016, and the statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement of Members of the Committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Incorporated Associations Act 2009 and is appropriate to meet the needs of the members. The committees' responsibility also includes such internal control as the committee determines necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional accounting bodies.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Arts North West Incorporated as of 31 December 2016 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Incorporated Associations Act 2009.

Basis of Accounting and Restriction on Distribution

Without modify our opinion, we draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Arts North West Incorporated to meet the requirements of the Incorporated Associations Act 2009. As a result, the financial report may not be suitable for another purpose.

Dated: 28 February 2017
at Armidale, NSW

Fiona McCann, CA
ICAA Member Number: 92993

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 $	2015 $
Current Assets			
Cash & Cash Equivalents	2	597,822	287,504
Trade & Other Receivables	3	5,474	-
Other Current Assets	4	4,358	7,254
Total Current Assets		**607,654**	**294,758**
Non Current Assets			
Financial Assets - Unlisted shares		10	10
Property Plant & Equipment	5	28,501	35,623
Total Non Current Assets		**28,511**	**35,633**
Total Assets		**636,165**	**330,391**
Current Liabilities			
Trade and Other Payables	6	457,466	192,522
Reserves	7	90,387	60,566
Total Current Liabilities		**547,853**	**253,088**
Non Current Liabilities			
Provisions	7	9,023	7,966
Total Non Current Liabilities		**9,023**	**7,966**
Total Liabilities		**556,876**	**261,054**
Net Assets		**79,289**	**69,337**
Equity			
Retained Earnings		79,289	69,337
Total Equity		**79,289**	**69,337**

The Statement of Financial Position is to be read in conjunction with
the notes to the accounts

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 $	2015 $
Revenue from Project Activities	205,989	76,750
Grant Funding	140,000	140,000
Local Government Contributions	92,312	89,713
University of New England Contribution	7,500	7,500
NENW BEC Contribution to PD	9,041	6,231
Interest Received	6,854	8,825
Profit on Sale of Asset	-	2,148
Other Revenue from Ordinary Activities	22,265	14,538
Expenditure in relation to Project Activities	(205,989)	(76,750)
Expenditure from Ordinary Activities	(242,140)	(257,375)
	35,832	**11,580**
Transfer to Reserve for ILA Funding Shortfall	(7,880)	-
Transfer to Reserve for Professional Development	(4,000)	-
Transfer to reserve for Computer Replacement	(6,000)	-
Transfer to Reserve for RAB National Conference	(2,000)	(5,000)
Transfer to Reserve for Vehicle Replacement	(6,000)	(5,000)
	9,952	**1,580**

The Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the notes to the accounts

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Retained Earnings $	Asset Revaluation Reserve $	Total $
Balance at 31 December 2014	**67,757**	**-**	**67,755**
Surplus/(Deficit) for the year	1,580	**-**	**1,582**
Balance at 31 December 2015	**69,337**	**-**	**69,337**
Surplus/(Deficit) for the year	9,952	-	10,102
Balance at 31 December 2016	**79,289**	**-**	**79,439**

The Statement of Changes in Equity is to be read in conjuction with the notes to the accounts

ARTS NORTH WEST INCORPORATED

ABN 13 294 582 557

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 $	2015 $
Cash Flows from operating activities			
Receipts from funding, members & customers		802,554	293,066
Interest received		6,854	8,825
Payments to suppliers and employees		(498,274)	(431,048)
Net Cash provided from operating activities	**8(a)**	**311,134**	**(129,157)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(816)	(34,969)
Proceeds from sale of property, plant and equipment		-	19,000
Net cash provided from investing activities		**(816)**	**(15,969)**
Net increase/(decrease) in cash		**310,318**	**(145,126)**
Cash at beginning of period		287,504	432,630
Cash at end of period	**8(b)**	**597,822**	**287,504**

The Statement of Cash Flows should be read in conjunction with the notes to the accounts

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared for use by members of the Committee of the Incorporated body. The Committee has determined that the Incorporated body is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board has been used in the preparation of this report. The following material accounting policies which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report.

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
AASB 112: Accounting for Income Tax
AASB 116: Property, Plant and Equipment
AASB 1031: Materiality
AASB 110: Events after Balance Date

No other Australian Accounting Standards, Urgent Issues Interpretations view or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

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

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

Income Tax
The Association is exempt from Income Tax and accordingly no provision has been made.

Plant and Equipment
Plant and equipment are brought to account at cost, less where applicable any accumulated depreciation or amortisation. The depreciable amount of fixed assets is depreciated over their useful lives to the entity commencing from the time the asset is held ready for use.

Note 1: Statement of Significant Accounting Policies - continued

Employee Entitlements
Provision is made for the Association's liability for the employee entitlements arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries and annual leave which will be settled after one year have been measured at their nominal amount. Other 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.

Revenue
Revenue from rendering of a service is recognised upon delivery of the service to the customers.

Grant revenue and contributions are recognised on an accruals basis. To the extent that the Association has not met their obligations under a funding agreement, a liability is carried in the balance sheet to reflect this future obligation.

Interest is recognised as it is received from financial institutions.

Superannuation
The Association contributes to employee superannuation funds on the basis of the relevant legislation. Contributions are charged against income as they are made.

Cash
For the purposes of the statement of cah flows, cash includes on hand and at call deposits with banks or financial institutions.

Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

Comparatives
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	$	$
Note 2. Cash and Cash Equivalents		
Community Mutual S9 Account	194,066	3,357
Community Mutual S9.1 Account	2,074	967
Community Mutual S30 Account	401,682	283,180
	597,822	**287,504**
Note 3. Trade Receivables		
Trade Debtors	5,474	-
	5,474	**-**
Note 4. Other Current Assets		
Prepayments	4,358	6,244
GST Control Account	-	1,010
	4,358	**7,254**
Note 5. Property, Plant and Equipment		
Motor Vehicle at cost	32,408	32,408
Less: Accumulated Depreciation	(8,381)	(1,405)
	24,027	**31,003**
Furniture & Fittings at cost	28,080	27,263
Less: Accumulated Depreciation	(23,606)	(22,643)
	4,474	**4,620**
Total Property, Plant and Equipment	**28,501**	**35,623**
Note 6. Trade and Other Payables		
Trade Creditors	1,861	32,095
Other Creditors	21,196	13,834
GST Payable	27,761	-
Grant Funds Unspent/In Advance	406,648	146,593
	457,466	**192,522**

	2016 $	2015 $
Note 7. Provisions		
Current		
ILA Funding Shortfall	7,880	-
Computer Replacement Reserve	20,000	14,000
Vehicle Replacement Reserve	30,000	24,000
RAB National Conference Reserve	7,000	5,000
Professional Development Reserve	10,000	6,000
Employee Entitlements - Annual Leave	15,507	11,566
	90,387	**60,566**
Non Current		
Employee Entitlements - Long Service Leave	9,023	7,966
	9,023	**7,966**

Note 8. Notes to the Statement of Cash Flow

a) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities

	2016 $	2015 $
Surplus/(Deficit) from ordinary activities	9,952	1,580
Non cash flows in profit		
Depreciation	7,938	8,384
(Profit)/Loss on Sale of Assets	-	(2,148)
Changes in Assets and Liabilities		
Increase/(Decrease) in Provisions	4,998	(11,537)
Increase/(Decrease) in Grants in Advance	260,055	(138,539)
Increase/(Decrease) in Reserve Funds	25,880	10,000
Increase/(Decrease) in Trade Creditors & Accruals	4,889	4,820
(Increase)/Decrease in Trade Debtors & Prepayments	(2,578)	(1,717)
Net Cash provided by operating activities	**311,134**	**(129,157)**

	2016	2015
	$	$

Note 8. Notes to the Statement of Cash Flow

b) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in bank net of bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	2016	2015
Community Mutual S9 Account	194,066	3,357
Community Mutual S9.1 Account	2,074	967
Community Mutual S30 Account	401,682	283,180
	597,822	**287,504**

Note 9. Contingent Liabilities and Capital Commitments

a) Contingent Liabilities

An rental agreement is in place for a Canon Photocopier. The lease is due to expire on 15 December 2017. Monthly payments are contingent on useage. Average monthly repayments were $436 (2015: $436) during the year. The minimum monthly rental payments for this rental agreement is $397 inclusive of GST.

Arts North West continues to rent office space from Glen Innes Severn Council. The current lease is due to expire on 30 June 2018. The monthly rental payment is $887 inclusive of GST.

b) Capital Commitments

To the best of the Committee's knowledge and belief there are no capital commitments at balance date.

Note 10. Subsequent to Balance Date Events

To the best of the Committee's knowledge and belief there were no material events subsequent to balance date.

SKYBRIDGE FINANCIAL

Compilation Report
Arts North West Incorporated

We have compiled the accompanying special purpose financial statements of Arts North West Incorporated which compromise the Project Operations Detailed Income and Expenditure Statement and the Detailed Income and Expenditure Statements for the year ended 31 December 2016. The specific purpose for which the special purpose financial statements have been prepared is to provide information in relation to the performance of the association that satisfied the information need of the committee members and its funding bodies.

The Responsibility of Committee Members

The committee members are solely responsible for the information that is contained in the special purpose financial statements and have determined that the significant accounting policies as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of the information provided by Arts North West Incorporated we have compiled the accompanying special purpose financial statements in accordance with significant accounting policies as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Arts North West Incorporated has provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of Arts North West Incorporated. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Dated: 28 February 2017
at 109 Jessie Street, Armidale NSW

Fiona McCann, CA
Skybridge Financial

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557
PROJECT OPERATIONS
DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 $	2015 $
Project Income		
Harmony Day	5,000	-
Aboriginal CS Projects	128,508	-
ARC Mapping Project	3,000	-
ANW On Tour	17,594	14,558
Country Art Escapes	6,918	9,705
CreativiTEA	37,463	-
RAF: STAGED	3,536	9,921
RAF: Eudomonia	1,230	13,331
Regional Partnerships: Heading West	40,498	80,208
Tamworth Inception Phase	-	7,115
Museum Trail	1,200	-
Putting the Pieces Together	18,428	-
Rivers to Ridges	69,897	-
Table Talk Project	10,100	-
Stuff of Tales Project	51,147	-
Landcare Project	4,976	-
CHARGED! (Min of Arts)	15,600	-
Professional Development	10,000	-
Total Project Income	**425,095**	**134,838**
Direct Project Expenses		
Aboriginal CS Projects	108,308	-
RAF: Eudomonia	1,230	12,101
Regional Partnerships: Heading West	26,054	39,710
ANW On Tour	13,849	4,476
CreativiTEA	37,463	-
RAF: Staged	-	6,385
ARC Mapping Project	785	-
Putting the Pieces Together	9,428	-
Professional Development	4,380	-
Tamworth Inception Phase	-	7,115
Country Art Escapes	4,492	6,963
Total Project Expenses	**205,989**	**76,750**
Surplus/(Deficit) on Projects	**219,106**	**58,088**

This statement does not form part of the audited financial statements

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557
PROJECT OPERATIONS
DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 $	2015 $
Less: Unspent Funds		
Aboriginal CS Projects	(20,200)	-
Table Talk Project	(10,100)	-
Stuff of Tales Project	(51,147)	-
Rivers to Ridges	(69,897)	-
CHARGED! (Min of Arts)	(15,600)	-
Harmony Day	(5,000)	-
Professional Development	(5,620)	-
Museum Trail	(1,200)	-
Regional Partnerships: Heading West	(14,444)	(40,498)
RAF: STAGED	(3,536)	(3,536)
RAF: Eudomonia	-	(1,230)
ARC Mapping Project	(2,215)	-
Putting the Pieces Together	(9,000)	-
ANW On Tour	(3,745)	(10,082)
Landcare Project	(4,976)	-
Country Art Escapes	(2,426)	(2,742)
	(219,106)	**(58,088)**
Net Operating Surplus/(Deficit)	**-**	**-**

This statement does not form part of the audited financial statements

ARTS NORTH WEST INCORPORATED
ABN 13 294 582 557
DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 $	2015 $
INCOME		
Grant Funding Received	140,000	140,000
Local Government Contributions	92,312	89,713
University of New England Contribution	7,500	7,500
BEC Contribution	9,041	6,231
Interest Received	6,854	8,825
Profit on Sale of Asset	-	2,148
Workshop Fees	3,035	1,798
Sundry Income	105	369
Administration & Other Income	19,125	12,371
TOTAL INCOME	**277,972**	**268,955**
EXPENDITURE		
Audit Costs	2,525	2,500
Computer Costs	2,630	4,060
Depreciation - Furniture & Fittings	963	5,148
Depreciation - Motor Vehicle	6,975	3,236
Electricity & Gas	1,895	1,943
Equipment Purchases < $300	295	205
Fringe Benefits Tax	7,621	31,369
Insurance	2,790	2,523
Photocopier Costs	5,020	5,231
Local Projects	2,362	1,581
Motor Vehicle Expenses	5,616	6,846
Postage	624	829
Printing & Stationery	2,874	1,674
Professional Development Workshops	7,334	6,311
Promotion & Marketing	3,229	4,187
Rent	11,034	9,687
Regional Board Expenses & Conferences	4,076	1,422
Staff Training	3,893	141
Subscriptions	1,657	657
Superannuation	13,925	11,829
Sundry Expenses	839	786
Transfer to Reserves	18,000	10,000
Telephone	3,114	3,851
Travel & Accommodation	4,570	8,326
Wages & Employment Expenses	150,817	142,387
Website Maintenance	3,342	646
TOTAL EXPENDITURE	**268,020**	**267,375**
OPERATING SURPLUS/(DEFICIT)	**9,952**	**1,580**

This statement does not form part of the audited financial statements

CERTIFICATE BY THE BOARD OF DIRECTORS

I …….

of ……

and

I …….

of ……

certify that:

a) We are members of the Board of Directors of Arts North West Incorporated

b) We attended the Annual General Meeting of the Association held on 18 March 2017

c) This annual statement was submitted to the members of the Association at its Annual General Meeting

Dated this 18 March 2017

Name of Director ……………………………………………………………………………………………

Signature of Director …………………………………………………………………………………………..

Name of Director ……………………………………………………………………………………………

Signature of Director …………………………………………………………………………………………..