

NORTHCLIFFE COMMUNITY RESOURCE CENTRE INC

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2018**

1. STATEMENT BY MEMBERS OF THE COMMITTEE

The Committee has determined that the Northcliffe Community Resource Centre Inc. is not a reporting entity and that this special purpose financial report comprising a statement of income and expenditure, statement of financial position and notes to and forming part of the financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial report.

In the opinion of the Committee the financial report:

1. is considered to be a special purpose financial report;
2. presents fairly the financial position of the Northcliffe Community Resource Centre Inc. as at 30 June 2018 and its performance for the year ended on that date;
3. at the date of this statement there are reasonable grounds to believe that the Northcliffe Community Resource Centre Inc. will be able to pay its debts as and when they fall due.

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

.....
Chairperson

.....
Manager

Dated this 6 day of August 2018.

Liability limited by a scheme approved under Professional Standards Legislation

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AUDITOR'S INDEPENDENCE DECLARATION

Auditor's independence declaration to the Members and Committee of the Northcliffe Community Resource Centre Inc.

In relation to my audit of the special purpose financial report of the Northcliffe Community Resource Centre Inc. for the period ended 30 June 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of Australian Professional Accounting Bodies.



Santo Casilli FCPA

Director

Date: 6 August 2018

INDEPENDENT AUDITOR'S REPORT

The Members – Northcliffe Community Resource Centre Inc.

Opinion

We have audited the special purpose financial report of the Northcliffe Community Resource Centre Inc., which comprises the statement of financial position as at 30 June 2018, the statement of income and expenditure for the year then ended, notes to the financial report, including a summary of significant accounting policies, and the statement by the Members of the Committee. Our audit opinion is provided in order to satisfy the reporting obligations as outlined in the Association Incorporations Act 2015 and also meeting the requirements as set out in the Northcliffe Community Resource Centre Inc.'s Constitution.

In our opinion, the accompanying special purpose financial report of the Northcliffe Community Resource Centre Inc. for the year ended 30 June 2018 is prepared, in all material respects, in accordance with the financial reporting provisions as outlined in Note 1 of the financial statements and presents fairly, in all material respects, the financial position of the Northcliffe Community Resource Centre Inc. as at 30 June 2018 and its financial performance for the year then ended.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Northcliffe Community Resource Centre Inc. in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of financial reports in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the special purpose financial report, which describes the basis of accounting. The financial report is prepared to assist the Northcliffe Community Resource Centre Inc. in complying with the financial reporting obligations as outlined in the Association Incorporations Act 2015 and also meeting the requirements as set out in the Northcliffe Community Resource Centre Inc.'s Constitution. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Members of the Committee of the Northcliffe Community Resource Centre Inc. and should not be distributed to or used by other parties.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Northcliffe Community Resource Centre Inc. management, on behalf of the Members of the Committee, is responsible for the preparation of the special purpose financial report and for establishing such internal control as the Northcliffe Community Resource Centre Inc. management determines is necessary to

enable the preparation of a special purpose financial report that is free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial report, the Northcliffe Community Resource Centre Inc. management with the Members of the Committee is responsible for assessing the Northcliffe Community Resource Centre Inc.'s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The Members of the Committee are responsible for overseeing the Northcliffe Community Resource Centre Inc.'s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report.

Our objectives are to obtain reasonable assurance about whether the special purpose financial report, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Northcliffe Community Resource Centre Inc.'s internal control.
- Evaluate the appropriateness of accounting policies used as described in Note 1 to the financial statements and the reasonableness of accounting estimates and related disclosures made by Northcliffe Community Resource Centre Inc. management, if any.
- Conclude on the appropriateness of the Northcliffe Community Resource Centre Inc. management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Northcliffe Community Resource Centre Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

We have communicated with the Northcliffe Community Resource Centre Inc. management regarding, among other matters, the planned scope and timing of the audit and, via our management letter, significant audit findings, including any significant deficiencies in internal control, if any, that we may have identified during our audit.



Santo Casilli FCPA
Director

Date: 6 August 2018

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THE NORTHCLIFFE COMMUNITY RESOURCE CENTRE INC.

**STATEMENT OF FINACIAL POSITION
AS AT 30 JUNE 2018**

	NOTES	2018 \$	2017 \$
CURRENT ASSETS			
Cash at Bank		142,607	77,318
Cash on Hand		300	1,071
Accounts Receivable		5,388	4,148
Stock for resale		7,299	8,439
Prepayments		2,214	2,285
		-----	-----
TOTAL CURRENT ASSETS		157,808	93,261
		-----	-----
NON-CURRENT ASSETS			
Office and computing equipment	2	7,387	10,262
Video and Other AV Resources	2	0	0
Furnishings and fittings	2	8,942	11,546
		-----	-----
TOTAL NON-CURRENT ASSETS		16,329	21,808
		-----	-----
TOTAL ASSETS		174,137	115,069
		-----	-----
CURRENT LIABILITIES			
Accrued wages		4,453	2,664
GST Payable/(Receivable)		6,015	1,709
PAYG liabilities		4,322	4,229
Superannuation Payable		2,295	2,303
Provision for Annual Leave		5,160	4,346
Deferred Trainee Grant		53,526	0
		-----	-----
TOTAL CURRENT LIABILITIES		75,771	15,251
		-----	-----
NON - CURRENT LIABILITIES			
		-----	-----
TOTAL NON - CURRENT LIABILITIES		14,235	13,453
		-----	-----
TOTAL LIABILITIES		90,006	28,704
		-----	-----
NET ASSETS		84,131	86,365
		=====	=====
ACCUMULATED FUNDS			
Retained earnings		86,365	79,104
Prior year adjustment		0	21
Current Year Earnings		(2,234)	7,240
		-----	-----
TOTAL ACCUMULATED FUNDS		84,131	86,365
		=====	=====

THE NORTHCLIFFE COMMUNITY RESOURCE CENTRE INC.

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTES	2018	2017
		\$	\$
Income			
Membership fees		2,223	1,602
Services		24,647	30,701
Sub contract services		4,882	4,775
Education courses		4,039	2,018
Northcliffe Number Plates		1,590	270
Sale of goods		5,386	8,017
Service Contract and Grants		114,791	122,194
Fundraising		462	815
NIVC		5,103	5,094
Other income		2,777	908
		-----	-----
Total Income		165,900	176,394
		-----	-----
Cost of Sales		19,154	19,262
		-----	-----
Gross Earnings		146,746	157,132
		-----	-----
Expenditure			
Audit fees		1,555	1,500
General administration		5,909	3,976
General Advertising		370	1,776
Postage and stationary		389	387
Depreciation expense		5,479	8,844
Insurance		3,023	2,782
Computer software and maintenance		691	1,375
Occupancy expenses		2,668	2,307
Employment Expenses		122,081	116,799
Conference and seminar expenses		3,582	4,572
Telecommunications		2,067	2,064
Low cost Furniture & Equipment		1,166	3,510
		-----	-----
Total Administration Expenses		148,980	149,892
		-----	-----
Operating Earnings		(2,234)	7,240
		-----	-----
Current Year Earnings		(2,234)	7,240
		=====	=====

THE NORTHCLIFFE COMMUNITY RESOURCE CENTRE INC.

FINANCIAL REPORT 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report that has been prepared in order to satisfy the financial reporting requirements of the members. The Committee has determined that the Community Resource Centre is not a reporting entity.

The financial report has been prepared in accordance with accounting policies adopted by management.

No Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting standards Board have been applied.

The financial report has been 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 valuations 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:

a) **Fixed Assets**

Fixed assets shown in the accounts have been brought to account at cost less any accumulated depreciation. The depreciable amount of all office and computer equipment, but not computer software and minor furnishings, are depreciated over the useful lives of the assets commencing from the time the asset is held ready for use. The Northcliffe Community Resource Centre Inc. owns no freehold land and buildings.

All fixed assets with an acquisition cost of less than \$1,000 are expensed and not treated as an asset. However, purchases of components less than \$1,000 which are required to build an asset are accumulated and included as an asset where the total purchases making up the asset is greater than \$1,000.

b) **Income Tax**

The Committee considers that its operations are exempt from income tax under the provisions of section 50-25 of the Income Tax Assessment Act (1997) as amended. Accordingly no provision for tax is included in the accounts.

c) **Provision for Employee Entitlements**

Provision has been made for annual leave and long service leave owing to employees at the balance sheet date.

d) **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 an asset or as part of an item of the expense.

THE NORTHCLIFFE COMMUNITY RESOURCE CENTRE INC.

FINANCIAL REPORT 2018

The accompanying notes form part of the accounts

	2018	2017
	\$	\$
2. PLANT AND EQUIPMENT		
Office and computing equipment at cost	81,976	81,976
Less accumulated depreciation	(74,589)	(71,714)
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	7,387	10,262
	-----	-----
Video and Other AV Resources at cost	7,810	7,810
Less accumulated depreciation	(7,810)	(7,810)
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	-	-
	-----	-----
Furnishing at cost	30,136	30,136
Less accumulated depreciation	(21,194)	(18,590)
	-----	-----
	8,942	11,546
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