

# **Althea Projects Incorporated**

**47280156982**

## **Financial Statements**

**For the Year Ended 30 June 2017**

# **Althea Projects Incorporated**

47280156982

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**For the Year Ended 30 June 2017**

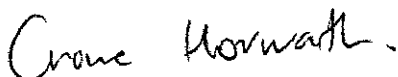
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## Auditor's Independence Declaration

To the Responsible Person's of Althea Projects Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

1. No contraventions of the auditor independence requirements as set out in s 60-40 of the *Australian Charities and Not For-Profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



**Crowe Horwath Audit Queensland**



**Donna Sinanian**  
Partner

Townsville

Date: 30 October 2017

**Althea Projects Incorporated**

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**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2017**

	2017	2016
	\$	\$
Revenue	3,187,198	2,476,785
Employee Benefits Expense	(1,789,844)	(1,684,253)
Other Expenses	(777,527)	(774,127)
Depreciation	(127,128)	(19,166)
<b>Profit before income tax</b>	<b>492,699</b>	<b>(761)</b>
Income tax expense	-	-
<b>Profit for the year</b>	<b>492,699</b>	<b>(761)</b>

The accompanying notes form part of these financial statements.

**Althea Projects Incorporated**

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**Statement of Financial Position****30 June 2017**

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	1,383,309	941,311
Trade and other receivables	8	8,936	4,500
<b>TOTAL CURRENT ASSETS</b>		<b>1,392,245</b>	<b>945,811</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	353,013	234,692
<b>TOTAL NON-CURRENT ASSETS</b>		<b>353,013</b>	<b>234,692</b>
<b>TOTAL ASSETS</b>		<b>1,745,258</b>	<b>1,180,503</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	166,776	105,551
Short-term provisions	11	89,659	86,814
<b>TOTAL CURRENT LIABILITIES</b>		<b>256,435</b>	<b>192,365</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	11	91,345	83,360
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>91,345</b>	<b>83,360</b>
<b>TOTAL LIABILITIES</b>		<b>347,780</b>	<b>275,725</b>
<b>NET ASSETS</b>		<b>1,397,478</b>	<b>904,778</b>
<b>EQUITY</b>			
Retained earnings		1,397,478	904,778
<b>TOTAL EQUITY</b>		<b>1,397,478</b>	<b>904,778</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2016</b>	<b>904,778</b>	<b>904,778</b>
Profit attributable to members of the parent entity	492,699	492,699
<b>Transactions with owners in their capacity as owners</b>		
<b>Balance at 30 June 2017</b>	<b>1,397,478</b>	<b>1,397,478</b>

2016

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2015</b>	<b>919,388</b>	<b>919,388</b>
Loss attributable to members of the parent entity	(14,610)	(14,610)
<b>Transactions with owners in their capacity as owners</b>		
<b>Balance at 30 June 2016</b>	<b>904,778</b>	<b>904,778</b>

**Althea Projects Incorporated**

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**Statement of Cash Flows**  
**For the Year Ended 30 June 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from Customers		2,996,159	2,462,001
Payments to Suppliers and Employees		(2,495,316)	(2,362,797)
Interest Received		9,733	10,285
Net cash provided by/(used in) operating activities	15	<u>510,576</u>	<u>109,489</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase from Property Plant and Equipment		<u>(68,578)</u>	<u>(11,624)</u>
Net cash used by investing activities		<u>(68,578)</u>	<u>(11,624)</u>
Net increase/(decrease) in cash and cash equivalents held		441,998	97,865
Cash and cash equivalents at beginning of year		941,311	843,446
Cash and cash equivalents at end of financial year	6	<u>1,383,309</u>	<u>941,311</u>

The accompanying notes form part of these financial statements.

## Althea Projects Incorporated

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### Notes to the Financial Statements

#### For the Year Ended 30 June 2017

The financial report covers Althea Projects Incorporated as an individual entity. Althea Projects Incorporated is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2017 were to strengthen and support families so children and young people can reach their full potential. This is achieved by delivering and supporting various projects and initiatives to support families across the community.

The functional and presentation currency of Althea Projects Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Incorporated Association Act (Queensland) 1981 and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

#### 2 Summary of Significant Accounting Policies

##### (a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### (b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Althea Projects Incorporated receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.



## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2017**

#### **2 Summary of Significant Accounting Policies**

##### **(b) Revenue and other income**

Donations and bequests are recognised as revenue when received.

Interest is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

##### **Other income**

Other income is recognised on an accruals basis when the Association is entitled to it.

##### **(c) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

##### **(d) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

##### **Land and buildings**

Land and buildings are measured using the cost model.

##### **Plant and equipment**

Plant and equipment are measured using the cost model. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss in the financial period in which they are incurred.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **2 Summary of Significant Accounting Policies**

#### **(d) Property, plant and equipment**

##### **Plant and equipment**

All assets above the \$500 threshold will be capitalised on the asset register, assets purchased below that amount will be charged to the statement of profit or loss in the financial period in which they are incurred.

##### **Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

At the end of each reporting period the Association determines whether there is an evidence of an impairment indicator for non-financial assets. Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

#### **(e) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### **(f) Employee benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

#### **(g) Economic dependence**

Althea Projects Incorporated is dependent on the departmental funding for the majority of its revenue used to operate the business. At the date of this report the committee members have no reason to believe the departmental funding will not continue to support Althea Projects Incorporated.

### **3 Critical Accounting Estimates and Judgments**

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **3 Critical Accounting Estimates and Judgments**

#### **Key estimates - provisions**

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

#### **Key estimates - receivables**

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

### **4 Revenue and Other Income**

	2017	2016
	\$	\$
Other Income		
- Other Income	62,348	53,139
- Interest Received	9,733	10,284
- Projects	3,055	-
- Donation	7,644	20,032
- TDIC Donation	631,077	-
- Donations	4,947	7,086
- Grants	2,468,394	2,386,243
	<u>3,187,198</u>	<u>2,476,784</u>

### **5 Result for the Year**

The result for the year includes the following specific expenses:

	2017	2016
	\$	\$
Superannuation contributions	135,067	137,911

### **6 Cash and Cash Equivalents**

	2017	2016
	\$	\$
Cash at bank and in hand	1,383,309	941,311
	<u>1,383,309</u>	<u>941,311</u>

## Althea Projects Incorporated

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### Notes to the Financial Statements

For the Year Ended 30 June 2017

#### 7 Cash reserves

The below cash and cash equivalents have been kept for these purposes:

	2017	2016
	\$	\$
Buildings	650,000	485,586
Liabilities	250,000	225,174
Innovation	166,478	38,000
IT Upgrade for client management systems	60,000	-
Donation to SFC	2,000	2,000
Rent Contingency	102,000	85,000
Restricted as at 30 June 2017 to settle all current liabilities	167,000	105,551
	<u>1,397,478</u>	<u>941,311</u>

#### 8 Trade and Other Receivables

	2017	2016
	\$	\$
CURRENT		
Trade receivables	8,936	4,500
Total current trade and other receivables	<u>8,936</u>	<u>4,500</u>

# Althea Projects Incorporated

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## Notes to the Financial Statements For the Year Ended 30 June 2017

### 9 Property, plant and equipment

	2017	2016
	\$	\$
Buildings		
At cost	561,357	236,283
Accumulated Depreciation	(307,009)	(45,106)
Total buildings	254,348	191,177
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	194,517	15,250
Accumulated depreciation	(160,967)	(6,842)
Total plant and equipment	33,550	8,408
Furniture, fixtures and fittings		
At cost	111,998	61,875
Accumulated depreciation	(73,814)	(47,250)
Total furniture, fixtures and fittings	38,184	14,625
Motor vehicles		
At cost	136,959	41,130
Accumulated depreciation	(110,028)	(20,648)
Total motor vehicles	26,931	20,482
Computer equipment		
At cost	33,065	33,065
Accumulated depreciation	(33,065)	(33,065)
Total computer equipment	-	-
Total plant and equipment	98,665	43,515
<b>Total property, plant and equipment</b>	<b>353,013</b>	<b>234,692</b>

### 10 Trade and Other Payables

	2017	2016
	\$	\$
Current		
Trade payables	131,692	61,628
GST payable	35,084	43,923
	166,776	105,551

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

## Althea Projects Incorporated

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### Notes to the Financial Statements

For the Year Ended 30 June 2017

#### 11 Provisions

	2017	2016
	\$	\$
CURRENT		
Provision for annual leave	89,659	86,814
<b>Total current provisions</b>	<b>89,659</b>	<b>86,814</b>
	2017	2016
	\$	\$
NON-CURRENT		
Provision for long service leave	91,345	83,360
<b>Total non-current provisions</b>	<b>91,345</b>	<b>83,360</b>

#### 12 Auditors' Remuneration

	2017	2016
	\$	\$
Remuneration of the auditor		
- Auditing or reviewing the financial statements	7,000	7,000

#### 13 Interests in Joint Arrangements

##### Material joint ventures

The following information is provided for joint ventures that are material to Althea Projects Incorporated and is the amount per the Joint Venture financial statements, adjusted for fair value adjustments at acquisition date and differences in accounting policies, rather than Althea Projects Incorporated's share. The below schedule shows the donation received at the time of acquisition

2017

<b>Townsville Drop in Centre</b>	<b>2017</b>
<b>Summarised statement of financial position</b>	
Cash and cash equivalents	461,655
Other current assets	7,424
Non-current assets	163,535
Other current liabilities	(29,181)
<b>Net assets</b>	<b>603,433</b>
<b>Summarised statement of profit or loss and other comprehensive income</b>	
Donation - Townsville Drop in Centre	603,433

#### 14 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2017 (30 June 2016:None).

**Althea Projects Incorporated**

**Independent Auditor's Report to the Members of Althea Projects Incorporated (Cont.)**

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

Our objectives are to obtain reasonable assurance about whether the 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf). This description forms part of our auditor's report.



**CROWE HORWATH AUDIT QUEENSLAND**



**Donna Sinanian**  
Partner

Townsville, 30 / 10 / 2017.

