

**NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC**

**ABN: 46 636 213 835**

**SPECIAL PURPOSE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2022**

**NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

<b>ASSETS</b>	<b>NOTE</b>	<b>2022</b> <b>\$</b>	<b>2021</b> <b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	611,559	680,871
Trade Debtors		35	165
Other Assets		15,699	35,189
Other Debtors		-	-
<b>TOTAL CURRENT ASSETS</b>		<b>627,294</b>	<b>716,225</b>
<b>NON-CURRENT ASSETS</b>			
Plant & Equipment		105,984	94,561
Accumulated Depreciation		(79,742)	(71,669)
<b>TOTAL NON-CURRENT ASSETS</b>		<b>26,243</b>	<b>22,892</b>
<b>TOTAL ASSETS</b>		<b>653,537</b>	<b>739,117</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade Creditors		14,500	27,316
Grants Received in Advance		241,305	205,058
GST Payable		13,703	8,013
PAYG Tax Payable		11,151	9,608
Superannuation Payable		14,277	14,943
Employee Provisions		54,190	55,529
<b>TOTAL CURRENT LIABILITIES</b>		<b>349,126</b>	<b>320,467</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee Provisions		18,782	15,479
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>18,782</b>	<b>15,479</b>
<b>TOTAL LIABILITIES</b>		<b>367,908</b>	<b>335,946</b>
<b>NET ASSETS</b>		<b>285,629</b>	<b>403,171</b>
<b>MEMBERS FUNDS</b>			
Opening Retained Earnings		403,171	345,789
Current Year Surplus		(117,543)	57,382
<b>TOTAL MEMBERS FUNDS</b>		<b>285,629</b>	<b>403,171</b>

The accompanying notes form part of these financial statements.

**NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD 1 JULY 2021 TO 30 JUNE 2022**

	2022	2021
<b>INCOME</b>	<b>\$</b>	<b>\$</b>
Grants	818,921	888,778
Fees	410	356
Sales and Services	4,488	2,001
Auspice Levies	110,029	104,700
Membership Fees	582	327
Interest Received	0	2,989
Donations	19,139	10,602
Government Stimulus	-	-
Sundry Other Income	78,558	65,184
<b>TOTAL INCOME</b>	<b>1,032,128</b>	<b>1,074,936</b>
<b>EXPENDITURE</b>		
Audit & Accountancy Fees	1,091	6,547
Auspice Fees	110,029	104,450
Advertising & Donations	18,781	5,308
Annual & Long Service Leave Expense	11,375	18,781
Bank Charges	315	287
Cleaning Expenses	336	3,962
Client Support Services	41,602	23,423
Community Activities & Events	56,608	82,644
Computer Expenses	28,905	15,155
Consultancy Expenses	24,607	909
Consumables	7,542	4,759
Depreciation	8,236	11,046
Donations	4,010	2,700
Electricity	5,579	4,891
Equipment Hire	871	1,742
Fundraising Expenses	3,560	0
General Expenses	2,344	4,751
Insurance	8,453	7,564
Meeting & Other Board Expenses	1,962	2,667
Postage & Stationery	6,681	6,224
Publications & Resources	668	6,472
Rent	18,304	8,194
Repairs & Maintenance	3,096	1,681
Small Plant & Equipment	8,172	10,680
Staff Expenses	19,084	11,349
Superannuation Contributions	61,087	50,645
Telephone & Internet	12,349	14,926
Training & Development	0	30,680
Travel & Accommodation	0	3,771
Volunteer Expenses	12,662	1,470
Wages	658,467	558,226
Workers Compensation	12,872	11,647
<b>TOTAL EXPENDITURE</b>	<b>1,149,670</b>	<b>1,017,554</b>
<b>Net Operating Surplus</b>	<b>(117,543)</b>	<b>57,382</b>

The accompanying notes form part of these financial statements.

**NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC**  
**STATEMENT OF CASHFLOWS**  
**AS AT 30 JUNE 2022**

		2022	2021
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>NOTE</b>		
Receipts from customers		1,155,271	1,250,947
Payments to suppliers and employees		(1,212,998)	(1,081,000)
Interest received		0	2,889
Net cash provided by operating activities	5	<u>(57,727)</u>	<u>172,836</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(11,586)	(6,727)
Proceeds from disposal of investments		0	20,00
Net cash (used in) investing activities		<u>(11,586)</u>	<u>(6,707)</u>
 Net increase/(decrease) in cash and cash equivalents held		(69,313)	166,229
Cash and cash equivalents at beginning of year		680,871	514,642
Cash and cash equivalents at end of financial year		<u><u>611,558</u></u>	<u><u>680,871</u></u>

The accompanying notes form part of these financial statements.

NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2022

**NOTE 1: BASIS OF PREPARATION**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Committee has determined that the association is not a reporting entity.

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

**Note 1 a): Restatement of Prior Period Balances**

During the current year the Association has identified an error in the timing of grant income recognition. As a result these balances were adjusted in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The prior period accounts have been restated. What follows is the result of the restatement.

	Original 2021 \$	Effect of Restatement \$	Restated 2021 \$
<b>STATEMENT OF FINANCIAL POSITION</b>			
<b>CURRENT LIABILITIES</b>			
Grants Received in Advance	40,000	165,058	205,058
<b>TOTAL CURRENT LIABILITIES</b>	<b>155,409</b>	<b>165,058</b>	<b>320,467</b>
<b>TOTAL LIABILITIES</b>	<b>170,888</b>	<b>165,058</b>	<b>335,946</b>
<b>NET ASSETS</b>			
	\$ 558,229	\$ (165,058)	\$ 393,171
Grant Revenue	885,983	2,791	888,778
<b>TOTAL PROFIT</b>	<b>\$ 54,591</b>	<b>\$ 2,791</b>	<b>\$ 57,382</b>

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**a. Income Tax**

The organisation is exempt from Income Tax under current Legislation.

**b. Property, Plant & Equipment (PPE)**

Property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

**c. Impairment of Assets**

At the end of each reporting period, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognized in the income and expenditure statement.

**d. 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 have been measured at the amounts expected to be paid when the liability is settled, except for long service leave, which is discounted to balance date.

NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Provisions

Provisions are recognized 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. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

g. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts and rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognizing revenue.

Interest revenue is recognized using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognized when the entity obtains control over the funds, which is generally at the time of receipt.

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

h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

i. Comparative Figures

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

NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<b>NOTE 3: CASH AND CASH EQUIVALENTS</b>		
Operating Account	609,081	677,144
Debit Mastercards	1,997	3,283
BNHC - Petty Cash	57	49
BSYS - Petty Cash	30	30
DYC - Petty Cash	38	40
UNC - Petty Cash	129	98
UNC - Petty Cash (Men's Shed)	227	227
	<hr/>	<hr/>
	611,559	680,871

**NOTE 4: CASH FLOW INFORMATION**

	2022	2021
	\$	\$
<b>Reconciliation of result for the year to cashflows from operating activities:</b>		
Profit (loss) for the year	(117,543)	54,591
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	8,236	11,046
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	130	1,153
- (increase)/decrease in other assets	19,490	50,954
- increase/(decrease) in trade and other payables	(6,251)	26,049
- increase/(decrease) in income in advance	36,247	35,000
- increase/(decrease) in employee and other provisions	1,964	(5,857)
	<hr/>	<hr/>
	(57,727)	172,936

NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Kerry Child, of 423 Hydes Creek Road, New South Wales, and  
I, Bellingen, of Bellingen, New South Wales

certify that: ROSIE WICKERT 17 RIVER ST, REPTON, 2454  
a) We attended the annual general meeting of the association held on 14<sup>th</sup> October 2022

b) The annual financial statements for the period ended 30 June 2022 were submitted to the members of the association at the annual general meeting

Kerry Child

(Committee Member)

Rosie Wickert

(Committee Member)



NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INC

STATEMENT BY MEMBERS OF THE COMMITTEE

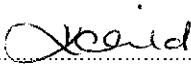
The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial report as set out:

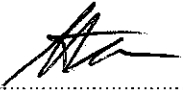
1. Presents fairly the financial position of Neighbourhood Centres of Bellingen Shire Incorporated as at 30 June 2022 and its performance for the period ended on that date in accordance with the accounting policies outlined in Note 1.
2. At the date of this statement, there are reasonable grounds to believe that Neighbourhood Centres of Bellingen Shire Incorporated 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:

President

.....  


Treasurer

.....  


Dated

.....  
7/10/22



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INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
NEIGHBOURHOOD CENTRES OF BELLINGEN SHIRE INCORPORATED

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the accompanying financial report, being a special purpose financial report of Neighbourhood Centres of Bellingen Shire Incorporated ('the association'), which comprises the statement of financial position as at 30 June 2022, statement of comprehensive income and statement of cashflows for the period then ended, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

In our opinion the financial report is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) presenting fairly the financial position of Neighbourhood Centres of Bellingen Shire Incorporated as at 30 June 2022, and its financial performance for the period then ended;
- b) complying with the accounting policies as described in Note 1 to the financial report.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibility* section of our report. We are independent of the Association in accordance with 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 the financial report in Australia. We have also 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 financial report, which describes the basis of accounting. The financial report is prepared to assist the members of the committee in fulfilling their governance obligations. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by any other parties. Our opinion is not modified in respect of this matter.

**Committee's Responsibility for the Financial Report**

The committee of the association are responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the *Associations Incorporation Act 2009*, and are appropriate to meet the needs of the members. The committee's responsibility also includes establishing and maintaining such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis

of accounting unless management either intends to liquidate the Association or cease operations, or have no realistic alternative but to do so.

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

Our responsibility is to express an opinion on the financial report based on our audit. 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 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.

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 judgement, 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 entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

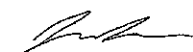
An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the committee'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 Association'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. However, future events or conditions may cause the Association to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

HQB Accountants Auditors Advisors



James Davis  
Partner

13-15 Park Avenue  
Coffs Harbour  
Dated:

10 October 2022