

Seafood Training Tasmania Inc.



FINANCIAL STATEMENTS

&

AUDITOR'S REPORT

For the year ended

31st December 2017

SEAFOOD TRAINING TASMANIA INC

Financial Accounts for the year ended 31st December 2017

Report on Behalf of the Directors.

We certify that in our opinion the attached Financial Accounts of the Association correctly show the financial transactions for the year ended 31st December 2017 and the Assets and Liabilities at that date and that the regulations relating to the administration of the Association have been properly observed.


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Sam Ibbott - Chairman

Date 16/2/2018


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Michael Roche - Treasurer

Date 19/02/2018



SEAFOOD TRAINING TASMANIA INC

Financial Accounts for the year ended 31st December 2017

Notes to and forming part of the Financial Statements for the period ended 31st December 2017

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the reporting requirements of the Associations Incorporation Act Tasmania and the Australian Charities and Not for profits Commission (ACNC).

The Board has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act Tasmania and the following Australian Accounting Standards:

AASB 110 Events after the Reporting Period

AASB 116 Property, Plant and Equipment

AASB 119 Employee Benefits

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standard 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, except where specifically stated, or current valuation of non-current assets with the exception of shares which are shown at market value.

Note 2: Change in Accounting Policies

There has been no significant changes in Accounting Policies since the last Annual Report.

Note 3 – Shares

The Board resolved to invest some of the Association's funds in blue chip shares.

The shares held at 31st December 2017 had a market value of \$1,043,369 and cost of \$947,074.

The shares are shown at their market value of \$1,043,369 in the attached Balance Sheet together with refundable franking credits of \$9,431.

Note 4 – Trade Debtors and Provision for Bad Debts

The amount shown in the Balance Sheet is as follows –

Trade Debtors	\$212,844
Less Provision for Bad Debts	<u>(\$7,000)</u>
	\$205,844

The Trade Debtors as at 31st December 2017 have been reviewed and the Provision for Bad Debts of \$7,000 is considered reasonable.

During 2017 a Bad Debt of \$1,154 was written off.

Note 5 – Depreciation

Depreciation for Plant and Equipment has been determined by the association based on the period of its useful life. Depreciation has accordingly been provided on a straight line basis and expensed in the Profit & Loss Statement.

Note 6 – ATO Net Amount Owing and Other Payroll Liabilities

ATO Net Amount Owing includes Net GST Liabilities, PAYG Tax Payable and the calculated FBT liability as at 31st December 2017.

Other Payroll Liabilities includes Superannuation Due and Union Fees Due.



Note 7 – Provision for Staff Entitlements

The amount shown in the balance sheet includes the following -

Long Service Leave (100% = \$150,890) Probable Expense =	\$146,841
Holiday pay accrual	\$23,707
Sick Leave entitlements (see note 8)	-
Hours accrued (over normal hours)	\$3,954
Staff bonus (see note 9)	<u>\$30,000</u>
	\$204,502

The Board is of the opinion that the total pro-rata Long Service Leave should be discounted to allow for the probability that not all employees will become entitled to the full pro-rata Long Service Leave.

The Association is not obliged to pay sick leave in the event of employees ceasing employment.

Note 8 – Provision for Staff Entitlements and Contingent Liabilities

The Board is of the opinion that (in total) employees do not take more sick leave than they accumulate each year and that Sick Leave should be accounted for on a LIFO (Last In First Out) basis. Therefore, no Provision for Sick Leave is included in the Accounts.

There may be a contingent liability for Sick Leave if more Sick Leave is claimed than accrues in the future. Based on current awards and staff salaries at 31st December 2017 this contingency amount is calculated at a maximum of \$114,615.

Also in addition to the above there may be a contingent liability for redundancy payments due to the present staff if those staff are made redundant. Based on current awards and staff salaries at 31st December 2017 this contingency amount is calculated at \$625,970.

Note 9 – Staff Bonus

An annual staff bonus of \$30,000 is payable upon meeting a minimum operating surplus of \$75,000 for the year ending 31st December without including the cost of the bonus -

Reconciliation of profit -

Operating Profit per accounts:	\$66,918
Add back - Provision for Bonus	<u>\$30,000</u>
Net Operating Profit before Bonus	\$96,918

SEAFOOD TRAINING TASMANIA INC.

Profit and Loss Statement

For the year ended 31st December

	NOTES	2017	2016
INCOME			
Short Courses		465,191	521,434
Skills TAS		846,547	743,826
AMC Joint Delivery		54,905	176,559
User Choice Trainees		239,263	248,462
Employer Payments Trainees		161,834	150,320
Projects		134,490	37,681
School Partnerships		47,989	50,195
FITC - NSW		21,800	10,050
Dividends Received		53,418	42,466
Interest Received		3,211	4,690
Rent Received		95,136	87,164
Other Income		3,042	3,004
TOTAL INCOME		<u>2,126,826</u>	<u>2,075,851</u>
EXPENSES			
Audit (Q & F) Accounting Fees		13,934	17,303
Bad Debts	4	1,154	-
Bank & Brokerage Charges		3,465	4,426
Depreciation - Plant	5	62,825	49,720
Info Tech Expenses		64,352	53,983
Insurance		38,266	36,298
Legal & Planning Expenses		2,759	3,069
Meetings Travel Sitting Fees		15,070	13,890
Motor Vehicle Expenses		67,169	65,077
Postage & Freight		5,937	6,322
Power		12,419	12,071
Printing Stationery & Publications		23,296	26,817
Promo, Advert, Scholarship & Donation		43,165	28,961
Rent		89,888	89,318
Repairs, Maint & Cleaning		37,674	47,024
Staff / Board Development		41,805	37,272
Sundries - Loft		24,949	21,767
Sundry Expenses		7,854	11,698
Telephone, Fax & Email		12,569	8,960
Training Courses		616,044	587,500
Wages & Salaries		875,314	845,394
TOTAL EXPENSES		<u>2,059,908</u>	<u>1,966,870</u>
OPERATING PROFIT		<u>66,918</u>	<u>108,981</u>
Extraordinary Items			
Gain on Sale of Shares		10,898	-
Loss on Sale of Shares		(19,019)	-
NET PROFIT		<u>\$ 58,797</u>	<u>\$ 108,981</u>



SEAFOOD TRAINING TASMANIA INC.

Balance Sheet

As at 31st December

	NOTES	2017	2016
ASSETS			
CBA Cheque Account		53,336	31,004
CBA Online Saver		215,189	450,645
CBA Term Deposits		20,000	20,000
Petty Cash		300	300
Shares at Market Value 31/12/2018	3	1,052,800	776,648
Trade Debtors	4	205,844	188,245
Prepayments		53,675	52,573
Vessel, Vehicles & Plant	5	611,026	565,204
Less Provision for Depreciation		<u>(350,288)</u>	<u>(313,982)</u>
TOTAL ASSETS		<u>1,861,882</u>	<u>1,770,637</u>
LIABILITIES			
ATO - Net Amount Owing	6	19,930	34,520
Trade Creditors		41,898	26,742
CBA Corporate Credit Card		12,827	5,157
Other Payroll Liabilities	6	19,975	32,538
Staff Entitlements	7, 8 & 9	<u>204,502</u>	<u>199,175</u>
TOTAL LIABILITIES		<u>299,132</u>	<u>298,132</u>
NET ASSETS		<u><u>\$ 1,562,750</u></u>	<u><u>\$ 1,472,505</u></u>
EQUITY			
Share Revaluation Reserve	3	96,298	64,850
Accumulated Funds		1,407,655	1,298,674
Surplus		58,797	108,981
TOTAL EQUITY		<u><u>\$ 1,562,750</u></u>	<u><u>\$ 1,472,505</u></u>



SEAFOOD TRAINING TASMANIA INC.

Statement of Cash Flows

For year ended 31st December	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	1,957,462	1,854,028
Government Grants	-	-
Investment Income Received	151,765	134,320
Payments to Suppliers and Employees	(1,984,073)	(1,898,648)
Borrowing Costs	-	-
Net Cash (used in) / provided by operating activities	<u>125,154</u>	<u>89,700</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment	(85,453)	(23,036)
(Increase)/Decrease in Investments	(252,825)	-
Net Cash (used in) / provided by investing activities	<u>(338,278)</u>	<u>(23,036)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds / Payments of Borrowings	-	-
Net Cash (used in) / provided by financing activities	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash held	(213,124)	66,664
Cash at beginning of financial year	501,949	435,285
Cash at end of financial year	<u><u>\$ 288,825</u></u>	<u><u>\$ 501,949</u></u>

Statement of Changes in Equity

For the year ended 31st December 2017

	Retained Earnings
Balance 1 January 2016	1,334,665
Comprehensive Income	
Surplus for the year attributable to members of the entity	108,981
Share Revaluation Reserve	28,859
Total comprehensive income attributable to members of the entity	<u>137,840</u>
Balance at 31 December 2016	<u>1,472,505</u>
Comprehensive Income	
Surplus for the year attributable to members of the entity	58,797
Share Revaluation Reserve	31,448
Total comprehensive income attributable to members of the entity	<u>90,245</u>
Balance at 31 December 2017	<u><u>\$ 1,562,750</u></u>



Independent Auditor's Report

To the members of Seafood Training Tasmania Inc

Opinion

We have audited the financial report of Seafood Training Tasmania Inc (the Entity), which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 31 December 2017 and of its financial performance and its cash flows for the year then ended in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act).

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 Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standard 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

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Seafood Training Tasmania Inc to meet the requirements of the ACNC Act. As a result, the financial report may not be suitable for another purpose.

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

Management is responsible for the preparation of the financial report in accordance with the ACNC Act, and for such internal control as management 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, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibility 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 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 the 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/Home.aspx>. This description forms part of our auditor's report.



Michael J Burnett B.Com. FCA
Registered Company Auditor
Partner, Accru⁺ Hobart
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20-2-18

Date