

Seafood Training Tasmania Inc.



FINANCIAL STATEMENTS

&

AUDITOR'S REPORT

For the year ended

31st December 2018

SEAFOOD TRAINING TASMANIA INC.**Profit and Loss Statement**

For the year ended 31st December

	NOTES	2018	2017
INCOME			
Short Courses		505,949	465,191
Licence Fees		85,159	0
Skills TAS		1,081,190	846,547
AMC Joint Delivery		51,855	54,905
User Choice Trainees		251,372	239,263
Employer Payments Trainees		279,277	161,834
Projects		43,610	134,490
School Partnerships		43,079	47,989
FITC - NSW		8,000	21,800
Dividends Received		67,575	53,418
Interest Received		1,555	3,211
Rent Received		86,015	95,136
Other Income		2,940	3,042
TOTAL INCOME		<u>2,507,576</u>	<u>2,126,826</u>
EXPENSES			
Audit (Q & F) Accounting Fees		12,101	13,934
Bad Debts	4	5,500	1,154
Bank & Brokerage Charges		2,808	3,465
Depreciation - Plant	5	71,248	62,825
Info Tech Expenses		67,110	64,352
Insurance		38,439	38,266
Legal & Planning Expenses		20,105	2,759
Meetings Travel Sitting Fees		16,397	15,070
Motor Vehicle Expenses		83,282	67,169
Postage & Freight		6,674	5,937
Power		14,618	12,419
Printing Stationery & Publications		27,559	23,296
Promo, Advert, Scholarship & Donation		43,876	43,165
Rent		93,058	89,888
Repairs, Maint & Cleaning		28,475	37,674
Staff / Board Development		39,024	41,805
Sundries - Loft		23,809	24,949
Sundry Expenses		11,388	7,854
Telephone, Fax & Email		10,590	12,569
Training Courses		783,825	616,044
Wages & Salaries		986,388	875,314
TOTAL EXPENSES		<u>2,386,274</u>	<u>2,059,908</u>
OPERATING PROFIT		<u>121,302</u>	<u>66,918</u>
Extraordinary Items			
Net Loss on Sale of Shares		(30,877)	(8,121)
Provision for Redundancy		(100,000)	0
NET PROFIT		<u>\$ (9,575)</u>	<u>\$ 58,797</u>



SEAFOOD TRAINING TASMANIA INC.**Balance Sheet****As at 31st December**

	NOTES	2018	2017
ASSETS			
CBA Cheque Account		20,883	53,336
CBA Online Saver		193,327	215,189
CBA Term Deposits		20,000	20,000
Petty Cash		300	300
Shares at Market Value 31/12/2018	3	1,061,946	1,052,800
Trade Debtors	4	248,776	205,844
Prepayments		65,444	53,675
Vessel, Vehicles & Plant	5	733,989	611,026
Less Provision for Depreciation		<u>(423,265)</u>	<u>(350,288)</u>
TOTAL ASSETS		1,921,400	1,861,882
LIABILITIES			
ATO - Net Amount Owing	6	17,757	19,930
Trade Creditors		8,127	41,898
CBA Corporate Credit Card		7,372	12,827
Other Payroll Liabilities	6	28,432	19,975
Staff Entitlements	7, 8 & 9	<u>330,568</u>	<u>204,502</u>
TOTAL LIABILITIES		392,256	299,132
NET ASSETS		<u>\$ 1,529,144</u>	<u>\$ 1,562,750</u>
EQUITY			
Share Revaluation Reserve	3	72,267	96,298
Accumulated Funds		1,466,452	1,407,655
Surplus		(9,575)	58,797
TOTAL EQUITY		<u>\$ 1,529,144</u>	<u>\$ 1,562,750</u>



SEAFOOD TRAINING TASMANIA INC

Financial Accounts for the year ended 31st December 2018

Notes to and forming part of the Financial Statements for the period ended 31st December 2018

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 2018 had a market value of \$1,051,878 and cost of \$979,611.

The shares are shown at their market value of \$1,051,878 in the attached Balance Sheet together with refundable franking credits of \$10,068.

Note 4 – Trade Debtors and Provision for Bad Debts

The amount shown in the Balance Sheet is as follows –

Trade Debtors	\$261,276
Less Provision for Bad Debts	<u>(\$12,500)</u>
	\$248,776

The Trade Debtors as at 31st December 2018 have been reviewed and the Provision for Bad Debts of \$12,500 is considered reasonable.

During 2018 no Bad Debts were written off.

During 2018 the Provision for Bad Debts was increased from \$7,000 to \$12,500.

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 2018.

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% = \$157,819) Probable Expense =	\$154,124
Holiday pay accrual	\$35,173
Sick Leave entitlements (see note 8)	-
Hours accrued (over normal hours)	\$5,271
Staff bonus (see note 9)	\$36,000
Agreed Redundancy Payment	<u>\$100,000</u>
	\$330,568

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.

The Board has entered into an agreement to pay one staff member a Redundancy Payment of \$100,000 during the 2019 year. This amount is shown as an Extraordinary Item in the 2018 Profit and Loss Statement.

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 2018 this contingency amount is calculated at a maximum of \$127,121.

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 2018 this contingency amount is calculated at \$588,646. This amount is in addition to the \$100,000 agreed Redundancy Payment to be paid during 2019.

Note 9 – Staff Bonus

A Staff Bonus of \$36,000 is payable upon meeting a minimum operating surplus of \$60,000 for the 2018 year without including the cost of the bonus -

Reconciliation of profit -

Operating Profit per accounts:	\$121,302
Add back - Provision for Bonus	\$36,000
Net Operating Profit before Bonus	\$157,302

SEAFOOD TRAINING TASMANIA INC.**Statement of Cash Flows**

For year ended 31st December	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	2,309,499	1,957,462
Government Grants	-	-
Investment Income Received	155,145	151,765
Payments to Suppliers and Employees	(2,316,852)	(1,984,073)
Borrowing Costs	-	-
Net Cash (used in) / provided by operating activities	147,792	125,154
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment	(138,053)	(85,453)
(Increase)/Decrease in Investments	(64,054)	(252,825)
Net Cash (used in) / provided by investing activities	(202,107)	(338,278)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds / Payments of Borrowings	-	-
Net Cash (used in) / provided by financing activities	-	-
Net increase / (decrease) in cash held	(54,315)	(213,124)
Cash at beginning of financial year	288,825	501,949
Cash at end of financial year	\$ 234,510	\$ 288,825

Statement of Changes in Equity**For the year ended 31st December 2018**

	Retained Earnings
Balance 1 January 2017	1,472,505
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	90,245
Balance at 31 December 2017	1,562,750
Comprehensive Income	
Surplus for the year attributable to members of the entity	(14,129)
Share Revaluation Reserve	(24,031)
Total comprehensive income attributable to members of the entity	(38,160)
Balance at 31 December 2018	\$ 1,524,590



SEAFOOD TRAINING TASMANIA INC

**Financial Accounts for the year ended 31st December 2018
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 2018 and the Assets and Liabilities at that date and that the regulations relating to the administration of the Association have been properly observed.



Sam Ibbott - Chairman

Date 18 / 2 / 2019



Michael Roche - Treasurer

Date 18 / 2 / 2019

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 2018, 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 2018 and of its financial performance and its cash flows for the year then ended in accordance with *Australian Charities and Not-for-profits Commission Act 2012*.

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 *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

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

The Board are responsible for the preparation of the financial report in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Board 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 Board are 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 the Board 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.

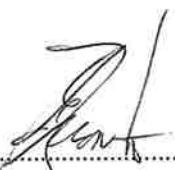


Auditor's Responsibility for the Audit of the Financial Report

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.


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Michael Burnett B.Com.F.C.A.
Registered Company Auditor: 281
Partner
Level 1/18 Ross Avenue, Rosny Park TAS 7018

Dated 19 / 2 / 19

