

# Financial Report

Seed Harvest Spoon Education Foundation Ltd

ABN 34601132049

For the year ended 30 June 2019

Prepared by Accounting for Good (AFG) Pty Ltd

# Contents

- 3 Statement of Financial Position
- 4 Statement of Profit or Loss
- 5 Notes to the Financial Statements
- 8 Directors Declaration

# Statement of Financial Position

Seed Harvest Spoon Education Foundation Ltd

As at 30 June 2019

	NOTES	30 JUN 2019	30 JUN 2018
<b>Assets</b>			
<b>Current Assets</b>			
Accounts Receivable	4	16,115	3,768
Cash at Bank	3	70,189	70,391
Prepayments	4	2,078	1,588
<b>Total Current Assets</b>		<b>88,382</b>	<b>75,747</b>
<b>Total Assets</b>		<b>88,382</b>	<b>75,747</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	5	2,145	1,706
Accrued Expenses		1,894	-
Provision for GST	5	4,113	580
Other Creditors	5	3,979	3,447
Prepayment for Future Services		50,800	-
<b>Total Current Liabilities</b>		<b>62,931</b>	<b>5,733</b>
<b>Total Liabilities</b>		<b>62,931</b>	<b>5,733</b>
<b>Net Assets</b>		<b>25,451</b>	<b>70,014</b>
<b>Equity</b>			
Retained Earnings	6	25,451	70,014
<b>Total Equity</b>		<b>25,451</b>	<b>70,014</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review.

# Statement of Profit or Loss

## Seed Harvest Spoon Education Foundation Ltd For the year ended 30 June 2019

	2019	2018
<b>Income</b>		
Interest Received	78	110
Other Revenue	14	1,227
Trading Income	108,640	166,742
<b>Total Income</b>	<b>108,731</b>	<b>168,079</b>
<b>Total Income</b>	<b>108,731</b>	<b>168,079</b>
<b>Expenses</b>		
Accounting Fees	5,732	559
Advertising	468	100
Bank Charges	2	181
Bee Hives	2,543	-
Board Meeting Costs	151	-
Computer & Internet	1,684	1,133
Events	662	-
Golf Day	-	16,299
Insurance	3,153	2,882
Other expenses	211	-
Postage	228	303
Printing & Stationery	2,080	432
Recruitment / HR	620	-
Rent	4,264	4,491
Staff Training	448	-
Staff Training & Welfare	151	603
Sub contractors	29,480	3,600
Subscriptions & Memberships	77	77
Sundry Expenses	-	4,099
Superannuation Contributions	7,857	8,902
Uniforms	108	82
Wages	89,436	99,133
Workshop Expenses	3,940	5,678
<b>Total Expenses</b>	<b>153,295</b>	<b>148,556</b>
<b>Total Surplus/Deficit</b>	<b>(44,563)</b>	<b>19,524</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review.

# Notes to the Financial Statements

## Seed Harvest Spoon Education Foundation Ltd

For the year ended 30 June 2019

The financial statements cover the business of Seed Harvest Spoon Education Foundation Ltd and have been prepared to meet the needs of stakeholders.

Comparatives are consistent with prior years, unless otherwise stated.

### 1. Basis of Preparation

The Company is non-reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2. Summary of Significant Accounting Policies

#### 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.

#### Employee Benefits

Provision is made for the company'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.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement of the liability for at least one year after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

#### Revenue and Other Income

Revenue is recognised when the business is entitled to it. All revenue is stated net of the amount of goods and services tax (GST).

##### Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

##### Interest Revenue

Interest is recognised using the effective interest method.

##### Other Income

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

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### 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 balance sheet.

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.

### Trade and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

### Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at 30 June 2019. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

	2019	2018
<b>3. Cash and Cash Equivalents</b>		
<b>Bank Accounts</b>		
Cheque account	61,887	65,024
Savings account	8,303	5,368
<b>Total Bank Accounts</b>	<b>70,189</b>	<b>70,391</b>
<b>Total Cash and Cash Equivalents</b>	<b>70,189</b>	<b>70,391</b>
	2019	2018
<b>4. Receivables</b>		
<b>Current</b>		
Accounts Receivable	16,115	3,768
Prepayments	2,078	1,588
<b>Total Current</b>	<b>18,193</b>	<b>5,356</b>
<b>Total Receivables</b>	<b>18,193</b>	<b>5,356</b>
	2019	2018
<b>5. Payables</b>		
<b>Current</b>		
Accounts Payable	2,145	1,706
Provision for GST	4,113	580
PAYG withholdings payable	1,556	1,328
Superannuation payable	2,423	2,119
<b>Total Current</b>	<b>10,237</b>	<b>5,733</b>
<b>Total Payables</b>	<b>10,237</b>	<b>5,733</b>

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	2019	2018
<b>6. Retained Earnings</b>		
Retained earnings	(70,014)	(50,490)
Current Year Earnings	44,563	(19,524)
<b>Total Retained Earnings</b>	<b>(25,451)</b>	<b>(70,014)</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review.

# Directors Declaration

## Seed Harvest Spoon Education Foundation Ltd For the year ended 30 June 2019

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes for the year ended 30 June 2019 are in accordance with the Corporations Act 2001 and:
  - comply with Australian Accounting Standards as stated in Note 1; and
  - give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Treasurer: M M<sup>c</sup> Lonnell

Acting Chairperson: B Uell

## **Treasurer's Report**

Having been elected Board Treasurer at last year's AGM in November, I have overseen the organisation's financials for the majority of the 2018/19 Financial Year. Bree Velluti was the previous Board Treasurer but stood down at the 2018 AGM to take on the role of Chair.

The financial accounts were reviewed by Accounting for Good, a not for profit specialist accounting firm, who we appointed last November to help us with our migration from MYOB to the Xero online accounting system. The migration was carried out relatively smoothly and has been functioning as expected since January 2019.

The 2018/19 Financial Report (tabled) will be lodged with ACNC as part of our Annual Information Statement before its due date on 31 December 2019.

### **Profit and Loss**

Net Profit for the year was down from \$19,524 to a loss of \$44,563.

Overall income for the year was down from \$168,079 to \$108,731, being a 35% decrease from the previous year. Of note Primary School Revenue decreased by \$28,595 and there was no Golf Day event, which had previously generated \$29,077 of income.

Overall operating expenses increased from \$148,556 to \$153,295, being an increase of 3% from the previous year. There was an increase of Accounting fees of \$5,173 due mainly to the requirement to migrate our accounting system from MYOB to Xero. There was a significant increase in Sub contractor costs, which increased by \$25,880. This category includes the costs of our part time Program Coordinator from November 2018 and our new part time CEO from June 2019.

Staff wages and superannuation contributions were down by \$10,742 from the previous year. As there was no golf day fund raising there was a saving of \$16,299 to organise this event.

### **Balance Sheet:**

Our Total Equity decreased during the year to \$25,451 from last years \$70,014, a decrease of 64%. This is of course a concern, but we believe the strategic work that has been done to identify our future direction and the appointments of our new Program Coordinator and CEO will lead to a stronger performance during 2019/20.

Total Assets increased to \$88,382 from \$75,747, being mainly cash at bank of \$70,189, which is nearly the same amount as in June 2018. Accounts Receivables have increased by \$12,347 being mainly invoices for 2 Term 3 Primary School programs.

Total Liabilities have increased significantly to \$62,931 to from \$5,733. This increase is due almost entirely to the Pre-Payment of Future Services of \$50,800. It is likely that better accounting governance has correctly identified this provision for 8 Term 3 and 4 Primary School programs.

**Michael McConnell**

**Treasurer**