

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

## Financial Report

For the Financial Year Ended 28 February 2019

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

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# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## BOARD'S REPORT

Your board members submit the financial report of Australia Day Council of SA for the financial year ended 28 February 2019.

### Board Members

The names of board members throughout the year and at the date of this report are:

Houssam Abiad (Chair)	Mr Steve Maras (Deputy Chair)
Mr Norman Schueler (Deputy Chair)	Ms Carol Martin
Barry Featherston (Treasurer)	Dr Michael Henningsen (Resigned 8.03.2018)
Mayor John Trainer OAM	Mr Peter Tsokas
Dr Simon Behenna	Hon Russell Wortley MLC (Resigned 8.03.2018)
Arman Abrahamzadeh OAM (Appointed 8.03.2018)	Hon Jing Lee (Appointed 8.03.018)
Anetta Johnston (Appointed 8.03.2018)	David O'Loughlin (Appointed 8.03.2018)
Sylvia Rapo (Appointed 8.03.2018)	Joel Bayliss (Appointed 8.03.2018)

### Principal Activities

The principal activities of the Australia Day Council of South Australia during the financial year were to inspire national pride and spirit to enrich the life of all Australians.

### Significant Changes

No significant change in the nature of these activities occurred during the year.

### Operating Result

The profit/(loss) amounted to **(\$309,098)**

Signed in accordance with a resolution of the members of the board.

  
Chair - Houssam Abiad

  
Member of the Executive - Steve Maras

Dated this 30 day of May 2019

# Australia Day Council of South Australia Incorporated

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For the financial year ended 28 February 2019

## RESPONSIBLE PERSONS DECLARATION

### ***per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013***

The Responsible Persons declare that in the Responsible Persons' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible Person<sup>1</sup>  
Responsible persons' declaration

Chair

Houssam Abiad

Member of the Executive

Steve Maras

Dated this 10 day of May 2019

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<sup>1</sup> The term 'Responsible Person' could be replaced with director(s) of the company or trustee(s) of the trust or if the trustee is a body corporate, a director(s) of the trustee.

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## PROFIT AND LOSS STATEMENT

### FOR THE YEAR ENDING 28 FEBRUARY 2019

	Note	2019	2018
		\$	\$
Grants		858,277	547,398
Sponsorship		132,492	23,182
SA Programs		7,127	-
Product Sales		139,074	155,686
Subscriptions		85,957	78,647
Interest Income		7,782	11,361
Other Income		127,333	27,720
<b>TOTAL INCOME</b>		<b>1,358,042</b>	<b>843,994</b>
Administration		105,726	38,877
Cost of Goods Sold		97,826	110,112
Office Costs		123,429	17,195
Employee Expenses		552,891	268,746
Functions		787,268	439,513
<b>TOTAL EXPENSES</b>		<b>1,667,140</b>	<b>874,443</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>(309,098)</b>	<b>(30,449)</b>

The accompanying notes form part of these financial statements.

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2019

	Note	2019	2018
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	527,346	762,056
Trade and Other Receivables	3	78,289	84,597
Inventories	4	61,603	66,410
<b>TOTAL CURRENT ASSETS</b>		<b>667,238</b>	<b>913,063</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	5	8,906	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>8,906</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>676,144</b>	<b>913,063</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	6	243,204	183,991
Provisions	7	48,579	40,170
<b>TOTAL CURRENT LIABILITIES</b>		<b>291,783</b>	<b>224,161</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	7	13,690	9,133
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>13,690</b>	<b>9,133</b>
<b>TOTAL LIABILITIES</b>		<b>305,473</b>	<b>233,294</b>
<b>NET ASSETS</b>		<b>370,671</b>	<b>679,769</b>
<b>MEMBERS FUNDS</b>			
Retained Surplus	8	370,671	679,769
<b>TOTAL MEMBERS FUNDS</b>		<b>370,671</b>	<b>679,769</b>

The accompanying notes form part of these financial statements.

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2019

	Retained Surplus	Total
<b>2019</b>	\$	\$
<b>BALANCE AT 1 MARCH 2018</b>	679,769	679,769
Profit / (Loss) for the year	(309,098)	(309,098)
<b>BALANCE AT 28 FEBRUARY 2019</b>	<b>370,671</b>	<b>370,671</b>
<b>2018</b>		
<b>BALANCE AT 1 MARCH 2017</b>	710,218	710,218
Profit / (Loss) for the year	(30,449)	(30,449)
<b>BALANCE AT 28 FEBRUARY 2018</b>	<b>679,769</b>	<b>679,769</b>

The accompanying notes form part of these financial statements.

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 28 FEBRAURY 2019

	2019	2018
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Grants	858,277	547,398
Receipts from customers	503,098	270,996
Payment to suppliers and employees	(1,594,101)	(761,170)
Interest & Dividends Received	7,782	11,361
Net cash provided by operating activities	<u>(224,944)</u>	<u>68,585</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for property, plant and equipment	<u>(9,766)</u>	-
Net cash provided by investing activities	<u>(9,766)</u>	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	-	-
Net cash provided by financing activities	-	-
Net increase/(decrease) in cash and cash equivalents held	(234,710)	68,585
Cash and cash equivalents at beginning of financial year	762,056	693,471
Cash and cash equivalents at end of financial year	2 <u>527,346</u>	<u>762,056</u>

The accompanying notes form part of these financial statements.



# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Board has determined that the Association is a not for profit and not a reporting entity.

The financial report has been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the following Australian Accounting Standards:

- AASB 101: Presentation of Financial Statements
- AASB 107: Statement of Cash Flows
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110: Events after the Balance Sheet Date
- AASB 1048: Interpretation of Standards
- AASB 1053: Application of tiers of Australian Accounting Standards
- AASB 1054: Australian Additional Disclosures

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

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

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

a. **Employee Provisions**

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 provisions have been measured at the amounts expected to be paid when the liability is settled.

b. **Cash on Hand**

Cash on hand 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.

c. **Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

d. **Revenue and Other Income**

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

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

Grant and sponsorship income is recognised as revenue in the year of receipt.

If conditions are attached to the grant that must be satisfied before the Association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### e. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised 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 assets and liabilities statement.

### f. **Inventories on Hand**

Inventories held for sale are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

### g. **Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### h. **Economic Dependence**

The Association relies on Federal, State and Local Government grant funding to enable the Association to fund its normal activities. Status of agreements can be seen below:

<i>Status of Agreements</i>	<i>Expires</i>
• Commonwealth Grants	June 2019
• Adelaide City Council Grant	June 2019
• State Government Grant	June 2021

Should the Association not secure funding or a reduced level of funding, it may impact on the ability of the Association to continue operating as a going concern.

### i. **Events After the Reporting Period**

The members are not aware of any events occurring after the reporting period that require any consideration for the adjustment to, or additional disclosures in the financial report.

### j. **New Accounting Statement**

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts – except leases with a maximum term of 12 months and leases for non-material amounts – be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. As at reporting date, the Association has not undertaken an assessment to determine the impact of this standard on future periods.

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### NOTE 2: CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash at Bank	80,316	317,919
Cash on Hand	200	200
Investment Account	446,830	443,937
	<b>527,346</b>	<b>762,056</b>

### NOTE 3: TRADE AND OTHER RECEIVABLES

Trade Debtors	46,837	84,597
Prepaid Expenses	5,346	-
GST Receivable	26,106	-
	<b>78,289</b>	<b>84,597</b>

### NOTE 4: INVENTORIES

Stock on Hand at Cost	61,603	66,410
	<b>61,603</b>	<b>66,410</b>

### NOTE 5: PROPERTY, PLANT & EQUIPMENT

Property, Plant & Equipment at Cost	9,767	-
Accumulated Depreciation	(859)	-
	<b>8,906</b>	<b>-</b>

### NOTE 6: TRADE AND OTHER PAYABLES

Other Payables and Accruals	132,193	99,521
GST Payable	-	13,116
Pay As You Go Withholding Tax	10,554	11,104
Superannuation Payable	3,730	-
Income Received in Advance	96,727	60,250
	<b>243,204</b>	<b>183,991</b>

# Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBURARY 2019

### NOTE 7: PROVISIONS

	2019	2018
	\$	\$
Employee Benefits – Current Liability		
Annual Leave Provision	36,924	28,001
Long Service Leave Provision	11,655	12,169
	<u>48,579</u>	<u>40,170</u>
Employee Benefits – Non-Current Liability		
Long Service Leave Provision	13,690	9,133
	<u>13,690</u>	<u>9,133</u>

### NOTE 8: MEMBERS' FUNDS

Opening Retained Surplus	679,769	710,218
Surplus / (Deficit) for the Period	(309,098)	(30,449)
Closing Retained Surplus	<u>370,671</u>	<u>679,769</u>

### NOTE 9: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no Contingent Liabilities or Contingent Assets to be reported.

### NOTE 10: BANK GUARANTEE

As at reporting date, the Association has a Bank Guarantee totalling \$7,956.67 held with the Commonwealth Bank (CBA) as a Bond in accordance with the requirements of its lease agreement to occupy 18/240 Curry Street Adelaide SA premises.

This Guarantee has no expiry date.

## Australia Day Council of South Australia Incorporated

ABN: 95 945 352 311

For the financial year ended 28 February 2019

### NOTE 11: FINANCIAL RISK MANAGEMENT

As at 28 February 2019 the Association has a Commonwealth Bank of Australia Business Card with a credit facility limit of \$10,000. As at 28 February 2019, the facility has a total undrawn amount of \$6,278.01.

The Association had no other undrawn credit facilities at reporting date.

### NOTE 12: ASSOCIATION DETAILS

The registered office and principal place of business of the Association is:

The Australia Day Council of South Australia  
18/240 Currie Street  
ADELAIDE SA 5000

ABN: 95 945 352 311

## INDEPENDENT AUDITOR'S REPORT

To the members of Australia Day Council of South Australia Incorporated

Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Australia Day Council of South Australia Inc. (the Association), which comprises the profit and loss statement for the year ended 28 February 2019, the Statement of Financial Position as at 28 February 2019, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, the notes to the financial statements, including a summary of significant accounting policies, and the Statement by Members of the Board of the Association.

In our opinion the financial report of Australia Day Council of South Australia Inc. has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Association's financial position as at 28 February 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### 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 Association in accordance with the 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

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### Responsibility of the Board for the Financial Report

The Board of the Association is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Board's responsibility also includes such internal control as the Board determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Board is responsible for overseeing the Association's financial reporting process.

### **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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Boards' 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 [my] opinion. Our conclusions are based on the audit evidence obtained up to the date of our [my] auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- 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 Board 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.

We communicate with the Board 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.

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**



**SAMANTHA CRETEN  
PARTNER**

Signed on the 6<sup>th</sup> day of June 2019,  
at 214 Melbourne Street, North Adelaide 5006