

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2013**

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

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AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 \$	2012 \$
Revenue from ordinary activities	2	1,378,480	1,089,451
Employee benefits expense		(1,032,535)	(851,995)
Depreciation and amortisation expenses		(12,066)	(5,106)
Loss on write-off of assets		-	(3,818)
Bad debts write-off		-	-
Contracting services		-	-
Rent		(49,565)	(49,637)
Other expenses from ordinary activities		(192,306)	(179,710)
Borrowing costs expense		-	-
<b>Profit before income tax expense</b>		<b>92,008</b>	<b>(815)</b>
Income tax revenue (income tax expense) relating to ordinary activities		-	-
<b>Profit after income tax expense</b>		<b>92,008</b>	<b>(815)</b>
<b>Total changes in equity</b>		<b>92,008</b>	<b>(815)</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**BALANCE SHEET  
AS AT 30 JUNE 2013**

	Notes	2013 \$	2012 \$
<b>CURRENT ASSETS</b>			
Cash assets	3	286,544	176,623
Receivables	4	63,218	39,610
Other	5	965	8,250
<b>TOTAL CURRENT ASSETS</b>		<b>350,727</b>	<b>224,483</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	6	26,230	29,341
<b>TOTAL NON-CURRENT ASSETS</b>		<b>26,230</b>	<b>29,341</b>
<b>TOTAL ASSETS</b>		<b>376,957</b>	<b>253,824</b>
<b>CURRENT LIABILITIES</b>			
Payables	7	77,921	59,354
Provisions	8	63,259	28,957
Other	9	-	38,709
<b>TOTAL CURRENT LIABILITIES</b>		<b>141,180</b>	<b>127,020</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	19,688	2,723
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>19,688</b>	<b>2,723</b>
<b>TOTAL LIABILITIES</b>		<b>160,868</b>	<b>129,743</b>
<b>NET ASSETS</b>		<b>216,089</b>	<b>124,081</b>
<b>MEMBERS' FUNDS</b>			
Retained profits	10	216,089	124,081
<b>TOTAL MEMBERS' FUNDS</b>		<b>216,089</b>	<b>124,081</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 \$	2012 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Government and Sponsors		1,077,451	989,695
Other Income		369,076	215,658
Payments to suppliers and employees		(1,328,789)	(1,181,205)
Interest received		1,138	170
Borrowing costs		-	-
Net cash provided by/(used in) operating activities	12 (b)	118,876	24,318
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(8,955)	(24,480)
Net cash used in investing activities		(8,955)	(24,480)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		-	-
Net cash provided by/(used in) financing activities		-	-
Net increase/(decrease) in cash held		109,921	(162)
Cash at beginning of financial year		176,623	176,785
Cash at end of financial year	12 (a)	286,544	176,623

The accompanying notes form part of these financial statements.

AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012 (Vic). 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 historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

**(a) Property, Plant & Equipment (PPE)**

Leasehold improvements, office furniture and equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE assets are depreciated over the useful lives of the assets to the association commencing from the time the asset was held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

At the end of each reporting period, the Committee reviews the carrying amount of its PPE assets (and other tangible and intangible assets) to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

*Depreciation*

The depreciable amount of all PPE assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives to the company commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Office furniture & equipment	10-40% (Diminishing value method)
Leasehold Improvements	25% (Diminishing value method)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(b) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

**(c) Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

**(d) Revenue**

Revenue from sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

**(e) Unexpended grants**

The entity receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the entity to treat grants monies as unexpended grants in the balance sheet where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific grants where the project has not been completed.

**(f) Cash and cash equivalent**

For the purposes of the Cash Flow Statement, cash includes cash on hand, cash at banks and on deposit

**(g) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of the expense. Receivables and payables in the Balance sheet are shown exclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**(h) Income Tax**

The association is exempt from income tax under provisions of the Income Tax Assessment Act.

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 \$	2012 \$
<b>NOTE 2: REVENUE</b>			
<b>Operating activities</b>			
- interest	2(a)	1,138	170
- operating grants		1,041,818	876,082
- brokerage		281,537	134,492
- CACPS & PAG fees		26,241	22,114
- other income		27,746	56,593
		<b>1,378,480</b>	<b>1,089,451</b>
<b>(a) Interest from:</b>			
- other persons		1,138	170
<b>NOTE 3: CASH ASSETS</b>			
Cash at Bank		286,544	176,623
		<b>286,544</b>	<b>176,623</b>
<b>NOTE 4: RECEIVABLES</b>			
<b>CURRENT</b>			
Trade debtors		65,218	33,425
Less - Provision for Doubtful Debts		(2,000)	-
Other Debtors		-	6,185
		<b>63,218</b>	<b>39,610</b>
<b>NOTE 5: OTHER ASSETS</b>			
<b>CURRENT</b>			
Prepaid Expenses		965	8,250
Amount owing from Croatian Media Association Inc.		-	-
		<b>965</b>	<b>8,250</b>



AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
<b>NOTE 6: FIXED ASSETS</b>			
(a) Office furniture and equipment			
At cost		88,544	79,590
Less accumulated depreciation		(63,082)	(51,064)
		25,462	28,526
(b) Leasehold Improvements			
At cost		936	936
Less accumulated depreciation		(168)	(121)
		768	815
Total fixed assets		26,230	29,341
<b>NOTE 7: PAYABLES</b>			
CURRENT			
Unsecured liabilities			
Trade creditors		2,055	649
Sundry creditors and accruals		32,972	25,330
Amounts payable to Australian Taxation Office		42,894	33,375
		77,921	59,354
<b>NOTE 8: PROVISIONS</b>			
CURRENT			
Employee benefits	8(a)	63,259	28,957
NON-CURRENT			
Employee Benefits	8(a)	19,688	2,723
(a) Aggregate employee benefits liability		82,947	31,680
<b>NOTE 9: OTHER LIABILITIES</b>			
CURRENT			
Prepaid/Unexpended Grants		-	38,709
		-	-
<b>NOTE 10: RETAINED PROFITS</b>			
Retained profits at the beginning of the financial year		124,081	124,896
Net profit (loss) attributable to members of the entity		92,008	(815)
Retained profits at the end of the financial year		216,089	124,081

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 \$	2012 \$
<b>NOTE 11: CAPITAL AND LEASING COMMITMENTS</b>			
(a) Hire purchase commitments			
Payable			
- not longer than one year		-	-
Minimum hire purchase payments		-	-
Less future finance charges		-	-
<b>Total hire purchase liability</b>		<b>-</b>	<b>-</b>
Represented by:			
Current liability	8	-	-

**NOTE 12: CASH FLOW INFORMATION**

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	286,544	176,623
	<b>286,544</b>	<b>176,623</b>

(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax

Surplus (Deficit) from ordinary activities after income tax	92,008	(815)
Non-cash flows in profit from ordinary activities		
Depreciation	12,066	5,106
Net (gain) / loss on disposal of property, plant and equipment	-	3,818
Changes in assets and liabilities		
(Increase)/decrease in receivables	(23,608)	(32,215)
(Increase)/decrease in other assets	7,285	(7,852)
Increase/(decrease) in unexpended grants	(38,709)	38,709
Increase/(decrease) in payables	18,567	10,523
Increase/(decrease) in provisions	51,267	7,044
<b>Cash flows provided by (used in) operations</b>	<b>118,876</b>	<b>24,318</b>

**NOTE 13: ASSOCIATION DETAILS**

The principal place of business of the association is:  
Australian Croatian Community Services Incorporated  
40 Pickett Street, Footscray VIC 3011

**AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee have determined that the association is not a reporting entity.

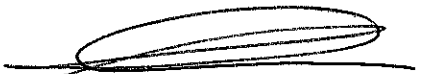
The committee have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report:

1. Presents a true and fair view of the financial position of Australian Croatian Community Services Incorporated as at 30 June 2013 and its performance for the financial year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Australian Croatian Community Services 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:

Dated this 24<sup>th</sup> day of September 2013

  
Linda Paric

  
MICHAEL PERNAR

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

**Report on the Financial Report**

I have audited the accompanying financial report, being a special purpose financial report, of Australian Croatian Community Services Incorporated which comprises the balance sheet as at 30 June 2013, the income statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

*Committee's Responsibility for the Financial Report*

The committee of the association is 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 Reform Act 2012 (Vic) and are appropriate to meet the needs of the members. The committee's responsibilities also include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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 judgment, 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 and fair presentation of the financial report 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. 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.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting obligations under the Associations Incorporation Act (Victoria). I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Independence*

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

*Auditor's Opinion*

In my opinion, the financial report of Australian Croatian Community Services Incorporated presents fairly, in all material respects the financial position of Australian Croatian Community Services Incorporated as at 30 June 2013 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the Associations Incorporation Reform Act 2012 (Vic).



John Woodward

Chartered Accountant

Level 5, 398 Lonsdale Street, Melbourne Vic 3000

Dated this 24<sup>th</sup> day of September 2013

**DISCLAIMER TO THE MEMBERS OF  
AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED**

The additional financial data following is in accordance with the books and records of the association which have been subjected to the auditing procedures applied in our statutory audit of the association for the financial year ended 30 June 2013. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, I do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Australian Croatian Community Services Incorporated) in respect of such data, including any errors of omissions therein however caused.



**John Woodward**

**Chartered Accountant**

24th September 2013

AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
<b>INCOME</b>		
<b>Grants received</b>		
CACPS Grants - Department of Health & Ageing	553,464	544,845
Education Grants		
Southern Metropolitan	15,015	19,868
Central Western Metropolitan	15,134	21,507
Dept of Human Services (Vic) - Grants	383,205	218,736
Other Grants and Contributions		
ACSIHAG	75,000	67,626
Department of Premier & Cabinet	0	3,500
<b>Total Grants received</b>	<b>1,041,818</b>	<b>876,082</b>
<b>Other Income</b>		
Activities Income	3,800	13,971
Brokerage	281,537	134,492
CACPS & PAG Client Fees	26,242	22,113
Donations	190	240
Interest Income	1,138	170
Re-imburement of wages from Croatian Media Association	-	24,803
Re-imburement of Workcover	8,611	-
Miscellaneous Income	15,144	17,580
<b>Total Other Income</b>	<b>336,662</b>	<b>213,369</b>
<b>TOTAL INCOME</b>	<b>1,378,480</b>	<b>1,089,451</b>
<b>LESS EXPENSES</b>		
Accounting and audit fees	8,350	8,843
Advertising	3,204	1,465
Annual leave provision	34,302	4,321
Computer expenses	20,909	6,141
Contracting services		
ex Croatian Psychiatric Outreach Association Inc	-	-
Depreciation	12,066	5,106
Doubtful Debts Provision	2,000	-
Internet expenses	2,474	6,336
Legal expenses	7,059	1,113
Light, Power, rates and water	10,533	9,641
Loss on write-off of assets	-	3,818
Long Service Leave provision	16,965	2,723
Meeting costs	3,454	8,802
Carry forward expenses	121,316	57,196

These financial statements should be read in conjunction with the attached Disclaimer.

AUSTRALIAN CROATIAN COMMUNITY SERVICES INCORPORATED

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
Carried forward expenses	121,316	57,196
Office Supplies	14,603	21,703
Penalties and interest	-	-
Postage	1,451	3,033
Program expenses	24,755	10,147
Publications	9,716	7,079
Rent	49,565	49,637
Repairs and maintenance	19,613	19,764
Salaries and wages	819,811	715,907
Staff amenities	4,358	7,238
Sundry expenses	1,209	1,487
Superannuation	69,167	59,691
Training and other employer costs	2,048	5,286
Telephone	14,569	11,685
Travel Allowance	56,688	48,058
Travel Allowance – Volunteers	37,061	45,450
Travel expenses	3,541	3,396
Workcover and Insurance	37,001	23,509
<b>TOTAL EXPENSES</b>	<b>1,286,472</b>	<b>1,090,266</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>92,008</b>	<b>(815)</b>