

FLINDERS CAMPUS COMMUNITY SERVICES INC

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2015**

FLINDERS CAMPUS COMMUNITY SERVICES INC

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FLINDERS CAMPUS COMMUNITY SERVICES INC

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
Income			
Trading Revenue:			
Sales		4,321,984	5,834,561
Sales - Other		249,277	369,342
Other Income:			
Interest		25,452	35,655
Other – Rent		-	23,826
Sponsorship		-	10,106
SSAF		444,754	410,000
Profit on Asset Disposal		3,110	-
		<hr/>	<hr/>
Total Income		5,044,577	6,683,490
		<hr/>	<hr/>
Expenditure			
Cost of Sales		1,854,470	2,283,216
Financial Expenses		36,275	41,249
Payroll Expenses		2,369,962	3,216,701
Administration Expenses		708,359	950,145
Depreciation & Amortisation		119,549	161,797
Repairs and Maintenance		37,230	96,776
Loss on Asset Disposal		-	207,764
		<hr/>	<hr/>
Total Expenditure		5,125,845	6,957,648
		<hr/>	<hr/>
Net Operating Result		\$(81,268)	\$(274,158)
		<hr/>	<hr/>
Other Comprehensive Income		-	-
		<hr/>	<hr/>
Total Comprehensive Income for the year		\$(81,268)	\$(274,158)
		<hr/>	<hr/>

The Statement of Profit Or Loss and Other Comprehensive is to be read in conjunction with the Notes to the Financial Statements for the year ended 31 December 2015

SM.


FLINDERS CAMPUS COMMUNITY SERVICES INC

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	2	1,575,670	1,531,744
Trade and Other Receivables	3	194,362	281,113
Inventories	4	145,296	183,939
Other Assets	5	9,330	26,316
		<hr/>	<hr/>
Total Current Assets		1,924,658	2,023,112
NON CURRENT ASSETS			
Plant & Equipment	6	870,285	931,828
Intangible Assets	7	6,250	6,250
		<hr/>	<hr/>
Total Non-Current Assets		876,535	938,078
		<hr/>	<hr/>
Total Assets		2,801,193	2,961,190
CURRENT LIABILITIES			
Trade and Other Payables	8	147,422	207,758
Provisions	9	421,854	403,100
		<hr/>	<hr/>
Total Current Liabilities		569,276	610,858
NON CURRENT LIABILITIES			
Provisions	9	-	37,147
		<hr/>	<hr/>
Total Non-Current Liabilities		-	37,147
		<hr/>	<hr/>
Total Liabilities		569,276	648,005
		<hr/>	<hr/>
NET ASSETS		\$2,231,917	\$2,313,185
EQUITY			
Retained profits		\$2,231,917	\$2,313,185
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The Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements for the Year Ended 31 December 2015

 SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Receipts from Customers		5,100,914	6,655,593
Interest		27,304	34,803
Outflows:			
Payments to Suppliers		(2,641,042)	(3,378,688)
Payments to Employees		(2,388,355)	(3,202,734)
Net Cash Provided/(Used in) Operating Activities	10	98,821	108,974
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Plant & Equipment		3,110	-
Payments for Plant & Equipment		(58,006)	(106,366)
Net Cash Provided/(Used in) Investing Activities		(54,896)	(106,366)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Cash Provided/(Used in) Financing Activities		-	-
Net Increase/(Decrease) in cash held		\$43,925	\$2,608
Cash at beginning of financial year		1,531,744	1,529,136
Cash at end of financial year		\$1,575,669	\$1,531,744

The Statement of Cash Flows is to be read in conjunction with the
Notes to the Financial Statements for the Year Ended 31 December 2015




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FLINDERS CAMPUS COMMUNITY SERVICES INC
STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2015

	Retained Earnings \$	Total \$
Balance at 31 December 2013	2,587,343	2,587,343
Net operating result	(274,158)	(274,158)
	<hr/>	<hr/>
Balance at 31 December 2014	\$2,313,185	\$2,313,185
	<hr/>	<hr/>
Net operating result	(81,268)	(81,268)
Other Comprehensive Income	-	-
	<hr/>	<hr/>
Balance at 31 December 2015	\$2,231,917	\$2,231,917
	<hr/>	<hr/>

The Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements for the year ended 31 December 2015

 SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1 STATEMENT OF ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 1985 (SA)*. The Board of Management 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 significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) 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 donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

(b) 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 statement of financial position.

(c) Income Tax

The Flinders Campus Community Services Inc is exempt from Income Tax under section 50-5 of the *Income Tax Assessment Act 1997*.

 SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONT)

1 STATEMENT OF ACCOUNTING POLICIES (CONT)

(d) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

A portion of cash and cash equivalents is held in trust on behalf of Flinders Campus Community Services Inc. by the Flinders University of South Australia. Flinders Campus Community Services Inc. has unlimited access to these funds and receives the full benefit of any interest earned on these amounts.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

(f) Plant and Equipment

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

The depreciable amount of all plant and equipment is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(g) Intangible Assets

Intangible assets are initially recognised at cost. If the asset has a finite life it is carried at cost less any accumulated amortisation and impairments losses.

(h) Impairment of assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the statement of profit or loss and other comprehensive income.

 SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONT)

1 STATEMENT OF ACCOUNTING POLICIES (CONT)

(i) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Employee Benefits

Provision is made in respect of the liability for Annual Leave and Long Service Leave at balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled. Long Service Leave is provided for all employees who have reached 5 years of service. Long Service Leave provided for employees with 7 or more years of service is classified as a current liability in the current year as FCCS does not have a right to defer payment of these balances. However, it is not expected that all of these amounts will be payable in the next 12 months.

Contributions are made by FCCS to an employee superannuation fund and are charged as expenses when incurred. FCCS has no legal obligation to provide benefits to employees on retirement.

	2015	2014
	\$	\$
2. CASH AND CASH EQUIVALENTS		
BankSA Cheque Account	175,205	385,490
Flinders University of SA	856,731	904,642
Cash Floats and Petty Cash	36,350	34,550
BankSA Portfolio Account	507,384	207,062
	\$1,575,670	\$1,531,744
3. TRADE AND OTHER RECEIVABLES		
Current		
Accounts Receivable	172,544	232,260
Less: Provision for Doubtful Debts	-	-
Accrued Income	21,818	48,853
	\$194,362	\$281,113

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FLINDERS CAMPUS COMMUNITY SERVICES INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONT)

	2015 \$	2014 \$
4. INVENTORIES		
Retail Shop	97,226	128,986
Sturt Retail Shop	10,343	13,644
OneByte	2,041	3,044
DeCafe	12,374	14,548
Coopers Bar	4,127	3,743
McHughs	3,969	551
Wholefood	5,323	7,497
Sports Retail	1,882	3,279
Subway	-	-
Coffee Cart	1,555	1,300
SILC Cafe	305	327
Refectory and Functions	6,151	7,020
	<u>\$145,296</u>	<u>\$183,939</u>
5. OTHER ASSETS		
Prepayments	9,330	26,316
	<u>\$9,330</u>	<u>\$26,316</u>
6. PLANT & EQUIPMENT		
Plant & Equipment at cost	1,957,021	2,001,435
Less: Accumulated Depreciation	(1,086,736)	(1,069,607)
	<u>\$870,285</u>	<u>\$931,828</u>
7. INTANGIBLE ASSETS		
Subway Franchise Fee	6,250	6,250
	<u>\$6,250</u>	<u>\$6,250</u>

 SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONT)

	2015 \$	2014 \$
8. TRADE AND OTHER PAYABLES		
Current		
Trade Creditors	22,098	59,227
Accruals	23,448	16,534
GST Payable (net)	35,511	78,644
Visa Clearing	112	3,182
PAYG Payable	34,049	23,299
Payroll Tax Payable	8,689	4,721
Workcover Payable	9,146	16,034
Superannuation Payable	14,273	-
Other	96	6,117
	\$147,422	\$207,758
	\$147,422	\$207,758
9. PROVISIONS		
Current		
Annual Leave	90,675	94,784
Long Service Leave	331,179	308,316
	\$421,854	\$403,100
	\$421,854	\$403,100
Non-Current		
Long Service Leave	\$-	\$37,147
	\$-	\$37,147
	\$-	\$37,147

SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONT)

	2015 \$	2014 \$
10. CASH FLOW INFORMATION		
Reconciliation of cash flows from operations with profit from ordinary activities.		
Net Operating Result	(81,268)	(274,158)
Non-Cash Flows in Net Operating Result:		
Depreciation and Amortisation	119,549	161,797
Loss / (Profit) on Asset Disposal	(3,110)	207,764
Changes in Assets and Liabilities:		
Decrease/ (Increase) in Trade and Other Receivables	86,751	6,906
Decrease/ (Increase) in Inventories	38,643	69,221
Decrease/ (Increase) in Other Assets	16,986	7,046
Increase/ (Decrease) in Trade and Other Payables	(60,337)	(83,569)
Increase/ (Decrease) in Provisions	(18,393)	13,967
	\$98,821	\$108,974

11. PAYMENTS TO OFFICERS OF THE FCCS BOARD OF MANAGEMENT

During the period ended 31 December 2015 the following payments were made to an officer or a firm of which an officer of the FCCS was a member:

Andrew Nairn - General Manager	197,201	191,966
	197,201	191,966

12. CONTINGENT LIABILITIES

In prior years Flinders Campus Community Services Inc has claimed a payroll tax free threshold which it may not be entitled to when calculating its liability for payroll tax. Flinders Campus Community Services is awaiting the results of an objection lodged with Revenue SA regarding its findings that Flinders Campus Community Services is not exempt from payroll tax, and notification of the need to remit the unpaid payroll tax.

Under section 53 of the *Taxation Administration Act 1996*, Flinders Campus Community Services Inc is required to keep all records for ascertaining its tax liability for a period of no less than 5 years. Therefore if the association is required to remit the unpaid payroll tax for the previous 5 years the maximum amount payable is \$148,500. Any potential amount of penalties that may be payable are unknown at this stage.


SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC
STATEMENT BY BOARD OF MANAGEMENT


In the opinion of the Board of Management of Flinders Campus Community Services Incorporated:


1. The accompanying Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Notes to the Financial Statements satisfy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including giving a true and fair view of the financial position of Flinders Campus Community Services Inc as at 31 December 2015 and the result of its operations for the year ended on that date in accordance with the accounting policies described in Note 1 to the Financial Statements; and
2. At the date of this statement, there are reasonable grounds to believe that Flinders Campus Community Services Inc will be able to pay its debts as and when they become due and payable.

Signed in accordance with the resolution of the Board.


.....
Board Member


.....
Board Member


.....
Name of Signatory


.....
Name of Signatory

Dated this 17th day of February, 2016

 SM.

FLINDERS CAMPUS COMMUNITY SERVICES INC
REPORT BY BOARD OF MANAGEMENT


In accordance with Section 35(5) of the *Associations Incorporation Act 1985 (SA)*, the Board of Management of Flinders Campus Community Services Inc hereby states that during the financial year ended 31 December 2015.

1. (a) no officer of Flinders Campus Community Services Inc;
(b) no firm of which an officer is a member; and
(c) no body corporate in which an officer has a substantial financial interest;

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and Flinders Campus Community Services Inc except as disclosed in the Notes to the Financial Statements; and


2. No officer of Flinders Campus Community Services Inc has received directly or indirectly from Flinders Campus Community Services Inc any payment or other benefit of a pecuniary value except as disclosed at Note 11 to the Financial Statements.

Signed in accordance with a resolution of the Board.


.....
Board Member


.....
Board Member


.....
Name of Signatory


.....
Name of Signatory

Dated this 17th day of February, 2016

 SM.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLINDERS CAMPUS COMMUNITY SERVICES INC**

We have audited the accompanying financial report, being a special purpose financial report, of Flinders Campus Community Services Inc, which comprises the Statement of Financial Position as at 31 December 2015, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Notes to the Financial Statements and the Statement by the Board of Management.

Board Members' Responsibility for the Financial Report

The Board members of Flinders Campus Community Services Inc are responsible for the preparation and fair presentation of the financial report, and have determined the basis of preparation described in Note 1, is appropriate to meet the requirements of the *Associations Incorporation Act 1985* and the *Australian Charities and Not-for-profits Commission Act 2012*, and is appropriate to meet the needs of the members. The Board members' responsibility also includes such internal control as the Board members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we 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 judgement, 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 association'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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board members, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the applicable code of professional conduct in relation to the audit.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLINDERS CAMPUS COMMUNITY SERVICES INC (CONT)**

Opinion

In our opinion, the financial report of Flinders Campus Community Services Inc is prepared in accordance with the requirements of the *Associations Incorporation Act 1985* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i) giving a true and fair view of the Association's financial position as at 31 December 2015 and of its performance and cash flows for the year ended on that date;
- ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Flinders Campus Community Services Inc to meet the requirements of the *Associations Incorporation Act 1985* and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Edwards Marshall

Edward Marshall
Chartered Accountants

Camilleri

Stephen Camilleri
Partner

Adelaide
South Australia

Dated *23 February 2016*



AUDITOR'S INDEPENDENCE DECLARATION UNDER SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE BOARD OF MANAGEMENT OF FLINDERS CAMPUS COMMUNITY SERVICES INC

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2015 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Edward Marshall
Chartered Accountants

Stephen Camilleri
Partner

Adelaide
South Australia

Dated 17 February 2016