

The Slavic Gospel Association Inc

31731714749

Financial Statements

For the Year Ended 31 December 2018

The Slavic Gospel Association Inc

31731714749

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For the Year Ended 31 December 2018

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2018

		2018	2017
	Note	\$	\$
Revenue	4	432,854	384,600
Designated gifts distributed		(224,515)	(298,747)
Advertising and magazine expenses		(13,644)	(19,726)
Employee benefits expense		(105,339)	(98,657)
Audit of the financial statements		(5,810)	(3,940)
Depreciation and amortisation expense		(2,158)	(2,212)
Office admin expenses		(14,496)	(15,508)
Other expenses		(11,837)	(3,541)
Bank fees		(1,113)	(1,533)
		<u>(378,912)</u>	<u>(443,864)</u>
Surplus/(deficit) before income tax expense		53,942	(59,264)
Income tax expense		-	-
		<u>-</u>	<u>-</u>
Surplus/(deficit) after income tax expense for the year attributable to the members of The Slavic Gospel Association Inc		53,942	(59,264)
Other comprehensive income for the year, net of tax		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members of The Slavic Gospel Association Inc		53,942	(59,264)

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 31 December 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	173,314	121,916
Trade and other receivables	6	1,384	567
Held-to-maturity investments	7	85,407	83,024
Other assets	8	2,322	2,069
TOTAL CURRENT ASSETS		<u>262,427</u>	<u>207,576</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	<u>476,988</u>	479,146
TOTAL NON-CURRENT ASSETS		<u>476,988</u>	<u>479,146</u>
TOTAL ASSETS		<u>739,415</u>	<u>686,722</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	11,604	12,493
Employee benefits	11	28,195	28,555
Other liabilities	12	160,000	160,000
TOTAL CURRENT LIABILITIES		<u>199,799</u>	<u>201,048</u>
TOTAL LIABILITIES		<u>199,799</u>	<u>201,048</u>
NET ASSETS		<u>539,616</u>	<u>485,674</u>
EQUITY			
Reserves		379,722	379,722
Retained earnings		<u>159,894</u>	<u>105,952</u>
TOTAL EQUITY		<u>539,616</u>	<u>485,674</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 31 December 2018

2018

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2018	105,952	379,722	485,674
Surplus after income tax expense for the year	53,942	-	53,942
Other comprehensive income, net of tax	-	-	-
Total comprehensive income for the year	53,942	-	53,942
Balance at 31 December 2018	159,894	379,722	539,616

2017

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2017	165,216	379,722	544,938
Deficit after income tax expense for the year	(59,264)	-	(59,264)
Other comprehensive income, net of tax	-	-	-
Total comprehensive income for the year	(59,264)	-	(59,264)
Balance at 31 December 2017	105,952	379,722	485,674

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 31 December 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	427,122	380,674
Payments to suppliers and employees	(378,256)	(428,435)
Interest received	4,915	6,120
Net cash provided by/(used in) operating activities	14 <u>53,781</u>	<u>(41,641)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	<u>(2,383)</u>	(2,316)
Net cash provided by/(used in) investing activities	<u>(2,383)</u>	<u>(2,316)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	-	70,000
Net cash provided by/(used in) financing activities	<u>-</u>	<u>70,000</u>
Net increase/(decrease) in cash and cash equivalents held	51,398	26,043
Cash and cash equivalents at beginning of year	121,916	95,873
Cash and cash equivalents at end of financial year	5 <u><u>173,314</u></u>	<u><u>121,916</u></u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 31 December 2018

The financial report covers The Slavic Gospel Association Inc as an individual entity. The Slavic Gospel Association Inc is a not-for-profit Association, registered and domiciled in Australia.

The principal activity of the Association for the year ended 31 December 2018 was to sponsor and provide for Russian-language Bibles and Christian literature or publications. The association's activities also involve providing for Bible training, sponsoring various missionaries and ministries and occasionally providing humanitarian aid on an as-needed basis.

The functional and presentation currency of The Slavic Gospel Association Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest income

Interest income is recognised when received.

Other income

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

(c) 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.

Notes to the Financial Statements

For the Year Ended 31 December 2018

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Depreciation

Buildings are depreciated on a straight-line bases and Office equipment is depreciated on a reducing balance basis over the assets useful life to the Association, commencing when the asset is ready for use.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Buildings	40 years
Office Equipment	5 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) 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.

(f) Employee benefits

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 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.

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Critical Accounting Estimates and Judgments

Key estimates - employee provisions

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Key estimates - useful lives of assets

The association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

4 Revenue and Other Income

Revenue from continuing operations

	2018	2017
	\$	\$
Interest	4,915	3,926
Donations - designated	323,033	308,168
Donations - undesignated	104,906	72,506
Total Revenue	432,854	384,600

5 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash on hand	100	100
Cash at bank	73,239	64,312
Deposits at call	99,975	57,504
	173,314	121,916

6 Trade and Other Receivables

	2018	2017
	\$	\$
BAS receivable	1,384	567
Total current trade and other receivables	1,384	567

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Notes to the Financial Statements For the Year Ended 31 December 2018

7 Held-to-maturity investments

	2018	2017
	\$	\$
Held-to-maturity investments	85,407	83,024
	<u>85,407</u>	<u>83,024</u>

8 Other Assets

	2018	2017
	\$	\$
Prepayments	2,322	2,069
	<u>2,322</u>	<u>2,069</u>

9 Property, plant and equipment

	2018	2017
	\$	\$
Property		
At independent valuation	379,722	379,722
Land - at cost	55,000	55,000
Total property	<u>434,722</u>	<u>434,722</u>
Buildings		
At cost	77,636	77,636
Accumulated depreciation	(36,239)	(34,298)
Total buildings	<u>41,397</u>	<u>43,338</u>
Office equipment		
At cost	3,934	3,934
Accumulated depreciation	(3,065)	(2,848)
Total office equipment	<u>869</u>	<u>1,086</u>
Total property, plant and equipment	<u>476,988</u>	<u>479,146</u>

10 Trade and Other Payables

	2018	2017
	\$	\$
Accrued expenses	7,854	5,857
PAYG payable	3,750	6,636
	<u>11,604</u>	<u>12,493</u>

Notes to the Financial Statements
For the Year Ended 31 December 2018

11 Employee Benefits

	2018	2017
	\$	\$
Annual leave	3,520	4,825
Long service leave	24,675	23,730
	<u>28,195</u>	<u>28,555</u>

12 Other Liabilities

	2018	2017
	\$	\$
Loan	160,000	160,000
	<u>160,000</u>	<u>160,000</u>

The loan is unsecured, interest free and repayable on demand.

13 Auditors' Remuneration

	2018	2017
	\$	\$
Remuneration of the auditor, rdl.accountants, for:		
- audit services	3,150	3,000
- preparation of statutory financials	488	465
- other assistance provided	972	475
Total	<u>4,610</u>	<u>3,940</u>

14 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2018	2017
	\$	\$
Surplus/(deficit) after income tax expense for the year	53,942	(59,264)
Non-cash flows in profit:		
- depreciation	2,158	2,212
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(817)	2,194
- (increase)/decrease in prepayments	(253)	-
- increase/(decrease) in trade and other payables	(889)	6,508
- increase/(decrease) in employee benefits	(360)	6,709
Cashflows from operations	<u>53,781</u>	<u>(41,641)</u>

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Notes to the Financial Statements For the Year Ended 31 December 2018

15 Statutory Information

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

The Slavic Gospel Association Inc
351 Princes Highway
NOBLE PARK VIC 3174

The Slavic Gospel Association Inc

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Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- 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
- 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 Responsible person

Dated