

Financial Report

for the

Brunswick Community Resource Centre Inc

for the period

1 July 2021 to 30 June 2022

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BRUNSWICK COMMUNITY RESOURCE CENTRE INC

DECLARATION BY THE MANAGEMENT COMMITTEE

for the period

1 July 2021 to 30 June 2022

In the opinion of the Management Committee:

1. The Financial Statements fairly present the Brunswick Community Resource Centre Inc's financial performance for the period listed above, and its financial position as at the end of the same period.
2. At the date of this statement, and after making adequate enquiries, there are reasonable grounds to believe that the Brunswick Community Resource Centre Inc is solvent and will be able to pay its debts as and when they become due and payable.

This statement is signed for and on behalf of the Management Committee by:

Signature _____

Name _____

Position _____

Date _____

Signature _____

Name _____

Position _____

Date _____

AUDITOR'S INDEPENDENCE DECLARATION

TO THE MEMBERS OF

Brunswick Community Resource Centre Inc

14 October 2022

I declare that to the best of my knowledge and belief that there have been no contraventions of the auditor independence requirements relating to this assurance engagement where applicable and as set out in:

- The Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants,
- The Incorporated Associations Act 2015 (WA), and
- Any other applicable code of professional conduct

Yours sincerely,



Principal

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF THE****Brunswick Community Resource Centre Inc****Report on the Audit of the Financial Statements for the year ended 30 June 2022****Qualified Opinion**

I have audited the financial statements of the Brunswick Community Resource Centre Inc being a special purpose financial statement, which comprises:

- Profit & Loss Statement
- Balance Sheet
- Cash Flow Statement
- Notes to the Financial Statements
- Declaration by those charged with governance (the Management Committee)

In my opinion, except for the effects, if any, of the matter(s) described in the Basis for Qualified Opinion section of this report, the accompanying financial statements give a true and fair view of the financial performance and cash flows of the Brunswick Community Resource Centre Inc for the year ended 30 June 2022 in accordance with the basis of accounting as described in Note 1 to the financial statements.

Basis for Qualified Opinion

As is common for organisations of this type and size, it is not practicable to establish and maintain an effective system of internal control over all income-producing activities until their initial entry in the accounting records. This is particularly so where cash receipts are concerned. Accordingly, my audit in relation to income was limited to amounts recorded in the financial records. Therefore, where relevant, I relied on information and explanations provided to me.

These balances and totals were included in last year's audit by another auditor. This year's financial statements have relied on the audit performed last year.

Conduct of the Audit

I conducted the audit in accordance with Australian Accounting Standards. My responsibilities under those standards are further described in the relevant section below. I am independent of the Brunswick Community Resource Centre Inc in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethical Conduct for Professional Accountants* (the Code) that are relevant in Australia to the audit of the Financial Statements. I have also fulfilled other ethical responsibilities as per the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1 to the Financial Statements, which describes the basis of accounting. The Financial Statements have been prepared to assist the Brunswick Community Resource Centre Inc to meet the requirements of its members and those charged with governance (the Management Committee). As a result, the Financial Statements may not be suitable for any other purpose. My audit opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management Committee is responsible for the preparation of the Financial Statements that give a true and fair view and have determined that the basis of preparation described in Note 1 to the Financial Statements is appropriate to meet the needs of the members. The Management Committee's responsibility also includes such internal control as determined necessary to enable the preparation of Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management Committee is responsible for assessing the Brunswick Community Resource Centre Inc'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 Management Committee either intend to liquidate the entity or to cease operations, or has no realistic alternative but to cease operations.

The Management Committee is responsible for overseeing the Brunswick Community Resource Centre Inc's Financial Statements process.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee, that an audit conducted in accordance with 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 statements.

As part of an audit in accordance with Australian Audit Standards, I exercise professional judgement and maintain professional scepticism through the audit. I also:

- Identify and assess the risk of material misstatement of the Financial Statements 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 my 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, misrepresentation, 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the 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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report, or, if such disclosures are inadequate, to modify my report. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance (the Management Committee) regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



David Paine
Certified Practising Accountant

14 October 2022

Profit and loss report

Accrual mode

01 Jul 2021 - 30 Jun 2022

	Actual	Last Year
4-0000 Income		
4-1001 Donations	3,202	1,152
4-1002 Membership	132	534
4-1003 Special Events	3,933	1,417
4-1004 Fundraising	2,145	10,214
4-1005 Fundraising- Catering	2,005	1,399
4-1006 Youth Group Fee	52	225
4-1013 Food Bank	732	0
4-2002 Printing	4,457	8,225
4-2003 Consumables	1,208	1,832
4-2004 CRC run courses & activities	6,618	2,716
4-2007 Laminating	80	13
4-2010 Meeting Room Hire	259	45
4-2011 Activities Income- Centre Hire	136	0
4-2014 Binding	36	18
4-2017 OP SHOP	5,334	767
4-2018 Consultancy- BRC	30,335	32,670
4-2020 Garage Sale	0	50
4-2023 Commuinty Garden	0	346
4-2024 COVID Upskill	0	1,050
4-2025 COVID Grants	0	1,000
4-3001 Marketing & Promotion	0	110
4-3007 Prof. Development & Training	334	0
4-3010 Trainee Support 2	0	52,965
4-3101 Govt & Comm Info	40,848	41,374
4-3102 Econ & Bus Devt	40,848	41,374
4-3103 Social Devt	15,561	15,762
4-4002 Volunteer Event Grant	0	170
4-4006 Youth Program	175	9,697
4-4007 Library	0	6,500
4-4008 National Youth Week	0	1,118
4-4012 Regional Grant Scheme	715	0
4-4013 Trainee Grant	37,000	0
4-4016 Apprentice Grant	1,710	2,390
4-5001 Moospaper	625	0
4-5002 Adverts	0	218
4-5003 Subscriptions	9	5
4-6000 GrantsSubsidies	37,809	18,057

	Actual	Last Year
Total Income	236,300	253,414
Gross Profit	236,300	253,414
6-0000 Expense		
6-1110 Centre consumable supplies	718	1,556
6-1115 Slush machine consumables	69	0
6-1120 Maintenance	4,272	1,597
6-1130 Other Expenses	21	2,644
6-1145 Emergency Relief	203	592
6-1146 Food Bank supplies exp	272	0
6-1210 Discounts Given	47	0
6-2010 Staff Amenities Supplies	193	29
6-2030 Uniform	509	133
6-2700 Fundraising expenses	2,087	3,838
6-3002 Telephone and Wifi	1,611	2,254
6-3003 Office SuppliesStationery	1,220	1,134
6-3004 Postage & Shipping	135	0
6-3006 Salaries & Wages	140,752	129,673
6-3007 Superannuation	13,545	11,635
6-3009 Copier Contractmeter	4,191	9,788
6-3010 CRC run courses & act. exp	3,632	6,070
6-3011 Electricity	1,276	(1,942)
6-3012 Gas	213	78
6-3013 Water	1,092	1,171
6-3014 DuesSubscriptions-membership	3,329	1,407
6-3016 BondRoom Hire Fees	372	0
6-3018 Fax machine	0	72
6-3020 Youth Group expenses	1,479	2,810
6-3021 Community Garden expenses	258	0
6-3023 Provision for Employee Leave Expense	(5,476)	1,410
6-3024 Provision for Long Service Leave Expense	8,548	8,047
6-3025 Events Expenses	1,455	8,653
6-3026 BRC Expenses	794	5,345
6-3027 Apprentice expense	1,363	4,439
6-4001 Business Insurance	5,498	3,805
6-4002 Workers Compensation Ins	0	1,121
6-4003 Consultancy Fees- Bookkeeping	0	2,176
6-4004 Audit Fees	2,173	0
6-5001 Advertising	4,754	420
6-5002 Promotional Materials & Act.	(100)	0
6-6001 StaffCommittee Training cours	1,104	454
6-6002 Fuel-travel expense	0	279
6-6003 ClustersWorkshopsConference	334	675
6-6004 Accomodation	166	0
6-6005 Entertainment	3,826	1,379
6-7001 IT software	117	702
6-7002 Equip. ReplacementRepair	0	38
6-7003 Fittings	524	0
6-7006 Equipment	499	3,651

	Actual	Last Year
6-8001 IT Support & Service	1,494	5,806
6-8002 Website Management	412	0
Total Expense	208,980	222,940
Operating Profit	27,320	30,474
8-0000 Other Income		
8-1001 Interest Income- Bank	2	87
8-1050 Cash Boost Stimulus	0	10,000
Total Other Income	2	10,087
Net Profit	27,323	40,562

Balance sheet report

30 Jun 2022

	Actual	Last Year
Asset		
1-0001 CBA operational account	280,580	288,877
1-0002 CBA Fundraising Account	0	7,891
1-0003 CBA- Term Deposit	11,210	11,208
1-0005 CBA Debit card	6,229	3,238
1-0006 Petty Cash	0	64
1-0009 Bendigo- Operational Account	19,220	0
1-3300 Accounts Receivable	581	712
1-3350 Shire of Harvey- Bond	1,000	1,000
1-5000 Fixed Assets		
1-5010 Computers / Laptops	11,917	0
1-5020 Computers / Laptops - Accum Depn	(9,370)	0
1-5030 Audio Visual	5,324	0
1-5040 Audio Visual - Accum Depn	(3,824)	0
1-5050 Office Equipment & Furniture	4,500	0
1-5070 Garden Equipment	3,500	0
1-5090 Kitchen Equipment	2,500	0
1-5110 Miscellaneous Equipment	2,000	0
Total Fixed Assets	16,547	0
Total Asset	335,367	312,990
Liability		
2-1200 Trade Creditors	(483)	(1,887)
2-1310 GST Collected	864	9,913
2-1330 GST Paid	(1,431)	(906)
2-1340 PAYG Withholding Payable	4,844	6,295
2-1420 Superannuation payable	3,569	3,344
2-1430 Provision for Employee Leave Payable	8,770	7,412
2-1431 Provision for Long Service Leave Payable	12,701	10,988
2-1500 Funding Carried Forward	0	15,167
Total Liability	28,834	50,326
Net Assets	306,533	262,664
Equity		
3-0002 Current Earnings		
3-9000 Current Year Surplus/Deficit	27,323	40,562
Total Current Earnings	27,323	40,562
3-3000 Asset Revaluation Reserve	16,547	0
3-8000 Retained Earnings	262,664	222,061
3-91000 Historical Balancing	0	41
Total Equity	306,533	262,664

Brunswick Community Resource Centre Inc

Cash Flow Statement

For the Year Ending 30 June 2022

	<u>30 June</u> <u>2022</u>	<u>30 June</u> <u>2021</u>
Cash Flows from Operating Activities		
Cash Receipts from Customers (including GST)	242,523	321,036
Payments to Employees	(155,522)	(138,901)
Payments to Suppliers (including GST)	(54,425)	(80,368)
Net ATO GST Cash Flows	(26,615)	(8,855)
	<u>5,961</u>	<u>92,913</u>
Cash Flows from Investing Activities		
Acquisitions of Plant & Equipment (including GST)	0	0
Disposals of Plant & Equipment (including GST)	0	0
	<u>0</u>	<u>0</u>
Cash Flows from Financing Activities		
	0	0
	<u>0</u>	<u>0</u>
Net Cash Flows for the Year	<u>5,961</u>	<u>92,913</u>
Cash and Cash Equivalents		
As at Start of Year		
CBA Operational Account	288,877	204,768
CBA Fundraising Account	7,891	11,120
CBA Term Deposit	11,208	0
CBA Debit Card	3,238	2,413
Petty Cash	64	64
Bendigo Operational Account	0	0
	<u>311,278</u>	<u>218,365</u>
Net Cash Flows for the Year	5,961	92,913
As at End of Year	<u>317,239</u>	<u>311,278</u>
Represented by		
CBA Operational Account	280,580	288,877
CBA Fundraising Account	0	7,891
CBA Term Deposit	11,210	11,208
CBA Debit Card	6,229	3,238
Petty Cash	0	64
Bendigo Operational Account	19,220	0
	<u>317,239</u>	<u>311,278</u>

Reconciliation of Net Profit to Cash Flows from Operating Activities

Net Profit	27,323	40,562
Adjust for non-cash income & expense items		
Gain on Disposal of Fixed Assets	0	0
Loss on Disposal of Fixed Assets	0	0
Depreciation	0	0
Bad & Doubtful Debts Expense	0	0
	<u>0</u>	<u>0</u>
Adjust for movements in assets & liabilities		
Relating to Customers		
Accounts Receivable	130	18,755
Funding Carried Forward	(15,167)	15,167
GST Collected - Cash Basis	21,258	23,612
	<u>6,221</u>	<u>57,534</u>
Relating to Employees		
PAYG Withholding Payable	(1,451)	2,030
Superannuation Payable	225	738
Employee Leave Payable	1,358	1,410
Long Service Leave Payable	1,713	8,047
	<u>1,846</u>	<u>12,224</u>
Relating to Suppliers		
Trade Creditors	1,404	(1,887)
GST Paid - Cash Basis	(4,217)	(6,666)
	<u>(2,813)</u>	<u>(8,553)</u>
ATO - GST Cash payments		
GST Collected - Accrual Basis	(9,049)	7,972
GST Paid - Accrual Basis	(525)	119
	<u>(9,574)</u>	<u>8,091</u>
GST Collected - Cash Basis	(21,258)	(23,612)
GST Paid - Cash Basis	4,217	6,666
	<u>(26,615)</u>	<u>(8,855)</u>
Net Cash Flows from Operating Activities	<u>5,961</u>	<u>92,913</u>

Brunswick Community Resource Centre Inc
Notes to, and forming part of, the Financial Statements
For the financial period 1 July 2021 to 30 June 2022

Note 1. Summary of significant accounting policies and other matters

1A: Basis of Accounting

This special purpose financial report has been prepared for distribution to the members to satisfy the Management Committee's reporting requirements under the constitution. The accounting policies used in the preparation of this report are consistent with previous years and are described below.

(a) The financial statements have been prepared using primarily the accrual basis of accounting including the historical cost convention.

(b) The requirements of the Accounting Standards issued by the Australian Accounting Standards Board do not have mandatory application to the entity because the Committee has determined that the entity is a non-reporting entity as defined therein.

1B: Income Tax

The entity has self-assessed as qualifying for exemption from income tax as per the guidance provided in the Australian Tax Office's publication NAT 7967 'Income Tax Guide for Non-Profit Organisations'.

1C: Going Concern, Solvency & Economic Dependency

The financial statements have been prepared on the basis that the organisation is a going concern, and is solvent – that is, able to meet its financial obligations as and when they fall due.

The Brunswick Community Resource Centre Inc received the following major grants (excluding GST) during the year:

- WA Department of Primary Industries and Regional Development – Operational Grant - \$97,259
- WA Department of Primary Industries and Regional Development – Trainee Grant - \$37,000
- WA Department of Primary Industries and Regional Development – IT Grant - \$3,073
- Shire of Harvey – Brunswick Junction Youth Program - \$19,380
- Shire of Harvey – Brunswick Junction Library and Community Centre Operations - \$6,500
- Shire of Harvey – Brunswick Junction Town Hall Upgrade - \$14,875

The Brunswick Community Resource Centre Inc is financially dependent on the continuation of grant funding from both the WA Department of Primary Industries and Regional Development and the Shire of Harvey.

1D: Contingent Liabilities

Contingent liabilities are liabilities whose amount and timing cannot be sufficiently accurately forecast to be recognised in the Balance Sheet, or to have the corresponding expense recognised in the Profit & Loss Statement.

The Management Committee is not aware of any pending legal actions or other claims against it, its officers, or its assets.

1E: Events after balance date

The Management Committee is not aware of any events that have occurred since the balance date of the Financial Report that need to be disclosed in the notes in order to present a full and fair view of its operations during the year and position at the end of the year.

1F: Goods and Services Tax (GST)

The entity is registered for GST and so accounts to the ATO for GST Collected and GST Paid. Amounts in the Profit & Loss Statement, and amounts in the Fixed Assets section of the Balance Sheet are generally net of GST Collected and GST Paid. The exception is where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

1G: Employee Entitlements

Brunswick Community Resource Centre Inc employee entitlements to annual leave and long service leave have been accrued by MYOB's payroll functions. Provisions have been made for these liabilities based on MYOB's 'Leave balance report' which calculates the salary and wage expense as at the last day of the financial year, using rates of pay applicable at this date. No discounting, or probabilities of leave being taken have been factored into these calculations.

Employee sick leave (and equivalents) are non-vesting and are not measurable with sufficient accuracy – therefore no provision in the Balance Sheet has been made for these entitlements.

1H: Right of Occupancy

The Brunswick Community Resource Centre Inc occupies premises owned by the Shire of Harvey. A \$1,000 bond has been lodged to the Shire. A new 5-year tenancy agreement has been negotiated, commencing on 1 January 2022, expiring on 31 December 2026. The nominal rent is \$1.00 per annum.

1I: Accrued and Prepaid Expenses

The financial statements prepared last year for the Brunswick Community Resource Centre Inc did not account for accrued expenses (Salary & Wages, and Superannuation) or prepaid expenses (Insurances). In the interests of consistency and comparability this year's financial statements have been prepared in the same manner.

1J: Fixed Assets

A fixed assets register has been compiled this year, and the corresponding asset values have been recognized in the accounts for the first time. The Register will be updated with acquisitions and disposals, and depreciation expenses will be calculated for the year ending 30 June 2023 and beyond.

1K: Consultancy BRC

Three payments were received last year (year ending 30 June 2021) and were recorded in the accounts as being applicable to that year's income. This was not correct as the funding department directed that the 3rd payment (\$15,167.29 net of GST) was to be applied to this year's income. This year's financial report has been adjusted to properly reflect this.

1L: Provision for Long Service Leave Payable

The balance in this account includes an amount of \$8,547.60 due to a long-term employee that left in August 2021 and has not yet been paid this entitlement.