

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2018**

**Liability limited by a scheme approved under
Professional Standards Legislation**

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

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SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

COMMITTEE'S REPORT

Your committee members submit the financial report of the Springvale Learning & Activities Centre Inc. for the financial year ended 30 June 2018.

Committee Members

The name of each member of the committee during the year and if different, at the date of the report;

Leah DOUGLAS
Bev DOUGLAS
Ken BRANCH
Maria AGELONITIS
Kevin TRAM
Kim TAO
David HAWKINS
Tuan TRAN
Aif DE HOMBRE

Principal Activities

The principal activities of the association during the financial year were:

Adult education and community services to the disadvantaged

Significant Changes


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

Operating Result

The profit of the association after providing for income tax amounted to \$47,283.00.

Signed in accordance with a resolution of the Members of the Committee.

Committee Member: 
Leah DOUGLAS

Committee Member: 
Ken BRANCH

Dated this 8th day August of 2018

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
INCOME			
Op-Shop Sales		25,396	14,899
Donations		36,075	12,698
Centre Membership		337	409
Centre -Class Fees		26,379	32,682
Centre Fundraising		6,443	-
Functions- Hall & Room Hire		<u>22,668</u>	<u>23,101</u>
		<u>117,298</u>	<u>83,789</u>
OTHER INCOME			
Rental - Weekly & Casual		35,112	35,316
Interest Received		22,121	17,453
Grants - COGD		59,330	69,285
Grants - ACFE		239,888	104,775
Grants - DHS		75,489	71,508
Other Income		10,504	24,335
Skills Victoria		<u>31,079</u>	<u>13,875</u>
		<u>473,523</u>	<u>336,547</u>
		<u>590,821</u>	<u>420,336</u>

The accompanying notes form part of these financial statements.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
EXPENDITURE			
Administration Fees		7,541	3,711
Advertising		9,320	1,986
Affiliations		1,907	787
Annual Leave/Leave in Lieu Expense		(8,184)	6,168
Audit Fee		3,220	3,100
Bad Debts Written Off		-	6,190
Bank Charges		3	21
Bonus - Employees		3,200	2,200
Building & Equipment Maintenance		235	-
Centre Requisites		934	744
Classes Expenses		3,283	4,971
Cleaning & Supplies		28,910	29,236
Consultancy Fees		41,060	-
Computer Support		12,621	13,903
Depreciation		4,481	6,715
Donations		8,589	680
Equipment < \$20,000		-	16,250
Fundraising Expenses		5,617	525
Hospitality		3,177	2,562
Leave in Lieu Expense		-	533
Insurance		3,391	3,456
Instructors'/Tuition Fees		42,845	15,023
Internet		1,309	1,309
Legal Fees		-	1,004
Light & Power		10,453	9,533
Long Service Leave		(5,853)	9,192
Motor Vehicle Expenses - D.O.Shop		3,687	5,035
PostPrinting & Stationery		7,135	9,859
Program Development		3,358	2,974
Food & Supplies Vouchers - D.O.Shop		14,986	11,483
Rent 7 o/g - Dandenong Outreach Shop		30,805	19,312
Salaries & Employees Expenses		262,719	195,811
Sundry Expenses		2,291	-
Superannuation Contributions		24,700	18,520
Telephone		6,184	5,742
Training & Professional Development		702	1,192
Travelling Expenses		34	13

The accompanying notes form part of these financial statements.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Waste Disposal		4,840	2,081
Water Usage		1,651	1,891
Workcover		1,503	1,761
		<u>543,538</u>	<u>416,793</u>
Profit before income tax		<u>47,283</u>	<u>3,543</u>
Profit for the year		47,283	3,543
Retained earnings at the beginning of the financial year		<u>382,798</u>	<u>379,256</u>
Retained earnings at the end of the financial year		<u>430,081</u>	<u>382,799</u>

The accompanying notes form part of these financial statements.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	534,891	623,684
Trade and other receivables	4	23,098	7,588
TOTAL CURRENT ASSETS		<u>557,989</u>	<u>631,272</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	13,393	17,874
TOTAL NON-CURRENT ASSETS		<u>13,393</u>	<u>17,874</u>
TOTAL ASSETS		<u>571,382</u>	<u>649,146</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	6	130,795	249,988
Employee benefits	7	10,506	16,359
TOTAL CURRENT LIABILITIES		<u>141,301</u>	<u>266,347</u>
TOTAL LIABILITIES		<u>141,301</u>	<u>266,347</u>
NET ASSETS		<u>430,081</u>	<u>382,799</u>
MEMBERS' FUNDS			
Retained earnings	8	430,081	382,799
TOTAL MEMBERS' FUNDS		<u>430,081</u>	<u>382,799</u>

The accompanying notes form part of these financial statements.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		165,635	172,812
Receipts from grants		279,689	425,027
Payments to suppliers and employees		(556,240)	(403,398)
Interest received		22,121	17,453
Net cash provided by (used in) operating activities	9	<u>(88,795)</u>	<u>211,894</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property plant and equipment		-	-
Net cash used in investing activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash provided (used in) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		(88,795)	211,894
Cash at beginning of financial year		623,684	411,790
Cash at end of financial year	3	<u>534,889</u>	<u>623,684</u>

The accompanying notes form part of these financial statements.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

The financial statements cover Springvale Learning & Activities Centre Inc. as an Individual entity. Springvale Learning & Activities Centre Inc. is a not for profit Association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

The principal activities of the Association for the year ended 30 June 2018 were primarily involved in the provision of adult education and community services to the disadvantaged in the local community.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report 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 Act.

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.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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

2 Summary of Significant Accounting Policies

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 of losses.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight line basis over the assets useful life to the association, commencing when the asset is ready for use.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Impairment of Non-Financial Assets

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

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.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

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.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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

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.

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

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

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

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 payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the cash flow statement are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
3 Cash and Cash Equivalents		
Cash on Hand	1,938	2,808
LaTrobe Financial	471,264	374,247
Cheque Acc 86 3196	58,902	243,659
Comm Solution 32 6235	2,787	2,970
	<u>534,891</u>	<u>623,684</u>
Reconciliation of cash		
Cash and Cash equivalents reported in the cash flow statement are reconciled to the equivalent items in the balance sheet as follows:		
Cash on Hand	1,938	2,808
LaTrobe Financial	471,264	374,247
Cheque Acc 86 3196	58,902	243,659
Comm Solution 32 6235	2,787	2,970
	<u>534,891</u>	<u>623,684</u>
4 Trade and Other Receivables		
Current		
GST Paid	4,095	2,720
Trade Debtors	19,003	4,868
	<u>23,098</u>	<u>7,588</u>
	<u>23,098</u>	<u>7,588</u>
5 Property, Plant and Equipment		
Office Furniture & Equipment	132,046	132,046
Less: Accumulated Depreciation	(122,830)	(120,437)
	<u>9,216</u>	<u>11,609</u>
Furniture & Fittings	10,000	10,000
Less: Accumulated Depreciation	(5,823)	(3,735)
	<u>4,177</u>	<u>6,265</u>
Total Plant and Equipment	<u>13,393</u>	<u>17,874</u>
Total Property, Plant and Equipment	<u>13,393</u>	<u>17,874</u>

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

STATEMENT BY MEMBERS OF THE COMMITTEE

6	Accounts Payable and Other Payables		
	Current		
	Function Bonds Held	1,300	1,000
	Other Creditors - Grants in Advance	100,443	195,460
	GST Collected	11,744	23,543
	Superannuation Payable	2,084	1,544
	Amounts Withheld - PAYG	2,871	3,094
	Provision for Holiday Pay	12,407	25,347
		<u>130,795</u>	<u>249,988</u>
7	Employee Benefits		
	Current		
	Provision for Long Service Leave	<u>10,506</u>	<u>16,359</u>
8	Retained Earnings		
	Retained earnings at the beginning of the financial year	382,798	379,256
	Net profit attributable to the association	<u>47,283</u>	<u>3,543</u>
	Retained earnings at the end of the financial year	<u>430,081</u>	<u>382,799</u>
9	Cash Flow Information		
	Reconciliation of Cash Flow from Operations with Profit after Income Tax		
	Profit after income tax	47,283	3,542
	Non-cash flows in profit		
	Depreciation	6,715	4,481
	Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
	(Increase)/decrease in trade and other receivables	(14,135)	(3,230)
	Increase/(decrease) in trade and other payables	(107,631)	191,112
	Increase/(decrease) in provisions	<u>18,793</u>	<u>13,755</u>
		<u>(88,795)</u>	<u>211,894</u>
10	Statutory Information		
	The registered office of the association is:		
	1 Osborne Avenue, SPRINGVALE 3171		
	The principal place of business is:		
	1 Osborne Avenue, SPRINGVALE 3171		

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
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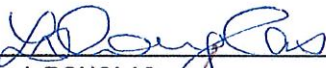
STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 12:

1. Presents a true and fair view of the financial position of Springvale Learning & Activities Centre Inc. as at 30 June 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Springvale Learning & Activities Centre Inc. 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:

President: 
Leah DOUGLAS

Treasurer: 
Ken BRANCH

Dated this day of 8th of August 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Springvale Learning & Activities Centre Inc. (the association), which comprises the balance sheet as at 30 June 2018, and the income and expenditure statement and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Reform Act 2012 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 of the financial report that gives a true and fair view 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.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430**

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncement.

Basis for qualified opinion

As is common for not-for-profit organisations, it is not practicable for the association to maintain an effective system of internal control over income including donations and fundraising activities until their initial entry into its financial records. Accordingly, audit on the association's income was limited to the amounts recorded in the financial records. We are therefore unable to express an opinion whether the income including donations and fundraising activities is complete.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for the qualified opinion paragraph, the financial report presents fairly, in all material respects, the financial position of Springvale Learning & Activities Centre Inc. as at 30th June 2018 and its financial performance for the year then ended in accordance with the accounting policies in Note 1 and the *Association Incorporation Reform Act 2012*.

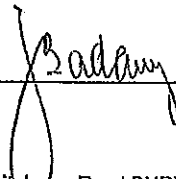
Basis of accounting and restrictions on distribution

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 Springvale Learning & Activities Centre Inc. to meet the requirements of the *Association Incorporation Reform Act 2012*. As a result the report may not be suitable for another purpose.

Name of Firm: Badawy & Associates

Name of Principal: _____

Joseph BADAUWY



Address: Suite 101A/486 Whitehorse Road SURREY HILLS 3127

Dated this 13th day of August 2018

SPRINGVALE LEARNING & ACTIVITIES CENTRE INC.
ABN 45 461 492 430

CERTIFICATE BY MEMBERS OF THE COMMITTEE


Annual Statements Give True and Fair View of Financial Position of Incorporated Association

I, Leah Douglas being a member of the Committee of Springvale Learning & Activities Centre Inc. certify that:

The statements attached to this certificate give a true and fair view of the financial position of the Springvale Learning & Activities Centre Inc. during and at the end of the financial year of the association ending on 30 June 2018.

Dated this 8th day August of 2018

Committee Member:


Leah Douglas