



NETWORK WEST INC

A.B.N. 15 637 705 856

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

NETWORK WEST INC
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FOR THE YEAR ENDED 30 JUNE 2019

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NETWORK WEST INC
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INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
INCOME		
State Government grants	118,679	101,156
Memberships	7,465	10,909
Expo	-	3,674
Interest	2,931	2,827
Miscellaneous income	2,682	50
TOTAL INCOME	<u>131,757</u>	<u>118,616</u>
EXPENDITURE		
Administration expenses	100	-
Annual leave	(1,716)	(172)
Audit fees	1,580	-
Bad debts	701	-
Consultants and contractors	6,875	5,950
Depreciation	1,156	-
Events and meeting expenses	1,629	1,318
Internet	164	164
Long service leave provision	(3,064)	1,652
Loss on disposal of fixed assets	1,268	-
Minor equipment	103	14
Police Checks	-	18
Postage	2	195
Printing	348	506
Professional development	547	698
Projects	-	6,673
Recruitment	278	-
Rent	4,668	4,727
Resources/consumables	334	229
Salary and wages	86,689	72,150
Stationery & Printing	139	657
Subscriptions	1,243	1,426
Sundry expenses	417	-
Superannuation	8,406	6,519
Telephone	752	909
Travel	94	118
Workcover	1,406	972
TOTAL EXPENDITURE	<u>114,119</u>	<u>104,723</u>
NET SURPLUS/(DEFICIENCY) FOR THE PERIOD	<u>17,638</u>	<u>13,893</u>

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Accumulated funds \$	Total \$
Balance as at 1 July 2017	97,321	97,321
Surplus/ (deficit) attributable to the association	13,893	13,893
Balance as at 30 June 2018	<u>111,214</u>	<u>111,214</u>
Surplus/ (deficit) attributable to the association	17,638	17,638
Balance as at 30 June 2019	<u><u>128,852</u></u>	<u><u>128,852</u></u>

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NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Note (i). Net cash generated from/(used in) operating activities		
(Loss)/profit after income tax	17,638	13,893
Non-cash flow item: bad debts	701	-
Non-cash flow item: depreciation	1,156	-
Non-cash flow item: loss on disposal of fixed assets	1,268	-
(Increase)/decrease in accounts receivables	(1,102)	-
(Increase)/decrease in other receivables	(105)	-
Increase/(decrease) in trade and other payables	7,196	1,659
Increase/(decrease) in amounts received in advance	25,000	-
Increase/(decrease) in provisions	(4,780)	-
	<u><u>46,972</u></u>	<u><u>15,552</u></u>
Note (ii). Cash and cash equivalents at end of financial year		
Cash at Bank	92,296	46,950
Cash on Term Deposit	73,580	71,855
Petty Cash	101	200
	<u><u>165,977</u></u>	<u><u>119,005</u></u>

The following is a summary of the material accounting policies adopted by the company in the preparation of the general purpose financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. 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 losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings, is depreciated on a straight-line basis over their useful lives to the company commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Furniture & Fittings	33.00%

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

Income from Service

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Sale of Goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest Income

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).

d. Income Tax

By virtue of its aims as set out in the constitution, the Association qualifies as an organisation specifically exempt from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*.

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to balance date. Employee benefits that are expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of estimated future cash outflows to be made for those benefits.

g. 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.

TOWARDS A VISION SHARED



CERTIFIED PRACTISING ACCOUNTANTS

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DALLAS NEIGHBOURHOOD HOUSE ASSOCIATION INC.

A.B.N. 88 080 930 652

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Dallas Neighbourhood House Association Inc. (the Association), which comprises the statement of financial position as at 30 June 2019, and the income and expenditure statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012* (Victoria), including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2019 and of its performance for the year ended; and
- ii. *complying with Australian Accounting Standards as per Note 1, the Australian Charities and Not for Profits Commission Act 2012 and the Associations Incorporation Reform Act 2012* (Victoria).

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. I am independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Dallas Neighbourhood House Assoc Inc to meet the requirements of the *Associations Incorporation Reform Act 2012* (Victoria). As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines 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.

In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Mary Francils	Secretary	Laverton Community Integrated Services Inc (Hobsons Bay)
Lana Bedford	Treasurer	Duke Street Community House
Carolyn Webster	General Member	Kensington Neighbourhood House (Melbourne)
Pat Rayner	General Member	Point Cook Community Learning Centre (Wyndham)
Melissa Baker	General Member	Stevenson House (Melton)

Principal Activities

The principal activities of the association during the financial year was to provide social and administrative support to neighbourhood housing and community centres. Network West aims to strengthen Neighbourhood Houses in the western region of Melbourne using a community development framework.

Services include supporting membership organisations with Induction/ Governance Policy & Procedures, Compliance, Strategic Planning, HR and Industrial Relations, Information Dissemination and Sharing Good Practice, Advocacy and Professional Development.

Significant Changes

No significant changes in the nature of the entity's activity occurred during the financial year.

Operating Results

The surplus for the year attributable to the entity amounted to \$17,638 (2015: \$13,853)

After Balance Date Events

No significant after balance date events occurred.

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

Chairperson




 Maria Hanson

Treasurer



 Lana Bedford

Dated

 September 2018