

EDMUND RICE CENTRE MIRRABOOKA INC

ABN 36 529 149 329

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

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EDMUND RICE CENTRE MIRRABOOKA INC
ABN 36 529 149 329

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
		Restated
Revenue from grants	1,476,461	1,379,735
Subsidies received	101,514	107,288
Drive Ed contributions	71,092	61,377
Other client contributions received	5,705	4,722
Donations and fundraising	29,535	47,326
Interest income	21,450	11,241
Other income	26,657	36,411
Total revenue	1,732,414	1,648,100
Employee expenses	1,287,258	1,098,040
Program expenditure	207,861	183,677
Depreciation and amortisation	31,932	97,084
Office expenses	44,698	44,671
Food expenses	27,613	29,061
Motor vehicle expenses	28,547	19,557
Interest expense and bank fees	3,222	29,618
General IT and software	14,620	16,726
Photocopier expenses	9,689	10,075
Other expenses	49,485	56,192
Total expenses	1,704,925	1,584,701
Surplus for the year	27,489	63,399
Other comprehensive income	-	-
Total comprehensive income for the year	27,489	63,399

EDMUND RICE CENTRE MIRRABOOKA INC
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$ Restated
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	95,169	90,169
Other financial assets	3	652,758	651,208
Trade and other receivables		8,200	12,765
Prepayments		2,962	5,180
TOTAL CURRENT ASSETS		759,089	759,322
NON-CURRENT ASSETS			
Property, plant and equipment	4	679,941	637,461
TOTAL NON-CURRENT ASSETS		671,331	637,461
TOTAL ASSETS		1,439,030	1,396,783
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	71,655	65,953
Other financial liabilities	6	86,163	23,970
Other liabilities	7	269,413	323,244
Provisions	8	150,278	127,173
TOTAL CURRENT LIABILITIES		577,509	540,340
NON-CURRENT LIABILITIES			
Other financial liabilities	6	493,447	517,447
Provisions	8	26,703	25,114
TOTAL NON-CURRENT LIABILITIES		520,150	542,561
TOTAL LIABILITIES		1,097,659	1,082,901
NET ASSETS		341,371	313,882
EQUITY			
Retained earnings		341,371	313,882
TOTAL EQUITY		341,371	313,882

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings	Total Equity
	\$	\$
At 1 July 2016 - Restated	250,483	250,483
Comprehensive income		
Surplus for the year	63,399	63,399
Other comprehensive income for the year	-	-
Total comprehensive income for the year	63,399	63,399
Balance at 30 June 2017	313,882	313,882

	Retained Earnings	Total Equity
	\$	\$
At 1 July 2017	313,882	313,882
Comprehensive income		
Surplus for the year	27,489	27,489
Other comprehensive income for the year	-	-
Total comprehensive income for the year	27,489	27,489
Balance at 30 June 2018	341,371	341,371

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from			
Government grants		1,568,562	1,609,260
Subsidies received		101,514	107,288
Client contributions received		76,797	66,099
Donations and fundraising		29,535	47,326
Interest Income		21,450	36,411
Other Income		26,657	11,241
Payments to suppliers and employees		<u>(1,781,746)</u>	<u>(1,730,795)</u>
Net cash generated by operating activities	11	<u>42,769</u>	<u>146,830</u>
 CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments in term deposits		(1,550)	(651,208)
Payments for purchase of property, plant and equipment		<u>(12,249)</u>	<u>(34,545)</u>
Net cash used in investing activities		<u>(13,799)</u>	<u>(685,753)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		<u>(23,970)</u>	<u>(78,583)</u>
Net cash used in financing activities		<u>(23,970)</u>	<u>(78,583)</u>
Net increase/(decrease) in cash held		5,000	(617,506)
Cash at beginning of financial year		90,169	707,675
Cash at end of financial year	2	<u>95,169</u>	<u>90,169</u>

EDMUND RICE CENTRE MIRRABOOKA INC
ABN 36 529 149 329

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Board of Management of Edmund Rice Centre Mirrabooka Inc. (the Association) have prepared the financial statements on the basis that the Association is a non-reporting entity, as defined by AASB 1053, because there are no users dependent on a general-purpose financial report. The financial report is therefore a special purpose financial report that has been prepared under Part 5 of the *Associations Incorporation Act 2015* (Associations Act), Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and related regulations. Accordingly, these special purpose financial statements comply with the Associations Act, the ACNC Act and related regulations.

Entity details

Edmund Rice Centre Mirrabooka Inc. is an incorporated association and domiciled in Australia. The address of its registered office and its principal place of business is as follows:

PO Box 613	18 Brewer Place
Mirrabooka	Mirrabooka
WA 6941	WA 6061

Basis of preparation

The financial report has been prepared on a historical cost basis, except where otherwise stated and is presented in Australian Dollars.

Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by all Australian Accounting Standards and 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*.

Revenue recognition

Revenue comprises revenue from government grants, donations and fundraising activities.

Revenue is measured by reference to the fair value of consideration received or receivable by the Association.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Association's different activities have been met. Details on the activity-specific criteria are described below.

Interest

Interest is recognised as the interest accrues.

Government grants

Revenue is recognised when the grant is received or receivable, unless the grant has been received on the condition that specified services be delivered or conditions fulfilled (reciprocal grants), such grants are initially recognised as a liability and revenue recognised as services are performed or conditions are fulfilled.

Donations

Donations collected are recognised as revenue when the Association gains control, economic benefits are probable, and the amount of the donation can be measured reliably.

Other Income

Other income is recognised when it is received or when the right to receive payment is established.

EDMUND RICE CENTRE MIRRABOOKA INC
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand and short-term deposits, as defined above.

Other financial assets

Term deposits with fixed or determinable payments and fixed maturity dates that the Association has the positive intent and ability to hold to maturity are classified as other financial assets. Other financial assets are measured at amortised cost using the effective interest method less any impairment.

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. In these circumstances, the GST is recognised as part of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The Statement of Cash Flows is prepared on a gross basis. The GST component of cash flows arising from investing and financing activities are included within the relevant categories.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less accumulated depreciation and impairment. Historical costs includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write-off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Buildings	40 years
Motor vehicles	4 years
Computer equipment	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Trade and other payables

Trade and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid and arise when the entity becomes obliged to make future payments in respect of the purchase of these goods and services.

Other financial liabilities

The Association's other financial liabilities represent borrowings. Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. All interest-related charges are reported in profit or loss within interest expense.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other liabilities

Other liabilities represent the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

Provisions

Provisions are recognised when:

- the entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that resources will be expensed to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured using the best estimate of amounts required to settle the obligation at the end of the reporting period.

Employee leave benefits

Annual leave and long service leave

Liabilities arising in respect of annual leave, long service leave and any other employee benefits expected to be settled within twelve months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave- non-current

The liability for long service leave is measured as the present value of the expected future payments for the services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Critical accounting estimates and judgments

In the process of applying the Association's accounting policies, the Board of Management has made a number of judgements and applied estimates for future events. The key estimates and judgements which are material to the financial report are:

Useful economic life of property, plant and equipment

The Association's Board of Management determines the estimate of useful lives and related depreciation charges for its property, plant and equipment.

Long service leave

Assumptions are formulated when determining the Association's long service leave obligations. This requires estimation of the probability of current employees attaining the service period required to qualify for long service leave benefits as well as the usual pattern in which leave is taken once all service requirements have been met.

EDMUND RICE CENTRE MIRRABOOKA INC
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NOTES TO THE FINANCIAL STATEMENTS

	2018	2017
	\$	\$
		Restated
NOTE 2: CASH AND CASH EQUIVALENTS		
Cheque Account	12,983	5,654
Keycards – ISCT/ISCK	420	253
Petty Cash – Thornlie	42	18
ING Investment BO ERCM	81,724	84,244
	95,169	90,169

NOTE 3: OTHER FINANCIAL ASSETS

Term Deposits	652,758	651,208
	652,758	651,208

NOTE 4: PROPERTY, PLANT AND EQUIPMENT

	Buildings – at cost	Motor Vehicles – at cost	Computer Equipment – at cost	Total
COST				
At 1 July 2017 – Restated	700,000	34,545	-	734,545
Additions	-	63,669	10,743	74,412
Disposals	-	-	-	-
At 30 June 2018	700,000	98,214	10,743	808,957
ACCUMULATED DEPRECIATION				
At 1 July 2017 – Restated	96,705	379	-	97,084
Charge for the year	17,500	12,299	2,133	31,932
At 30 June 2018	114,205	12,678	2,133	129,016
CARRYING AMOUNT				
At 30 June 2017 – Restated	603,295	34,166	-	637,461
At 30 June 2018	585,795	85,536	8,610	679,941

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NOTES TO THE FINANCIAL STATEMENTS

	2018	2017
	\$	\$
		Restated
NOTE 5: TRADE AND OTHER PAYABLES		
Trade payables	16,285	12,670
GST receivable	(529)	(814)
ATO Liability Clearing Account	23,459	25,300
Superannuation Payable	30,527	26,220
PAYG Withholding Payable	-	2
Accrued expenses	1,006	2,575
Other payables	907	-
	71,655	65,953
NOTE 6: OTHER FINANCIAL LIABILITIES		
CURRENT		
St George Finance – 1GND411	32,636	-
Less: Unexpired Interest – 1GND411	(1,555)	-
St George Finance – 1GND412	32,637	-
Less: Unexpired Interest – 1GND412	(1,555)	-
Loan: Christian Brothers	24,000	23,970
	86,163	23,970
NON-CURRENT		
Loan: Christian Brothers	493,447	517,447
	579,610	541,417
NOTE 7: OTHER LIABILITIES		
Grants received in advance	269,413	323,244
	269,413	323,244
NOTE 8: PROVISIONS		
CURRENT		
Annual leave	80,415	55,406
Long service leave	69,863	71,767
	150,278	127,173
NON-CURRENT		
Long service leave	26,703	25,114
	176,981	152,287

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: EVENTS AFTER THE REPORTING DATE

There have been no events subsequent to 30 June 2018 which have had a material impact on the financial position of Edmund Rice Centre Mirrabooka Inc.

NOTE 10: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

On 5th December 2017 the board of management discussed potential staff redundancies which may occur in the next financial reporting period. Before the end of the reporting period, the board of management had not made any decision and therefore there were no communications to any of those affected, and no other steps were taken to implement any decision following discussion by the board of management.

As such, there has been no obligating event and so there was no obligation which was required to be recognised as at reporting date.

Contingent assets

The Association had no contingent assets as at reporting date (2017: Nil).

NOTE 11: RECONCILIATION OF SURPLUS FOR THE YEAR TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2018	2017
	\$	\$
		Restated
Surplus for the year	27,489	63,399
Depreciation	31,932	97,084
	59,421	160,483
(INCREASE)/DECREASE IN ASSETS		
Trade and other receivables	4,565	(12,145)
Prepayments	2,218	(1,222)
INCREASE/(DECREASE) IN LIABILITIES		
Trade and other payables	5,702	(21,498)
Grants received in advance	(53,831)	94,397
Provisions	24,694	(73,185)
Net cash generated by operating activities	42,769	146,830

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 12: LEASE COMMITMENTS

Operating Leases

Payable – minimum lease payments

Not later than 12 months

Between 12 months and five years

32,826	-
24,486	25,602
57,312	25,602

Board of Management's declaration - *per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013*

The Board of Management declares that in the Board of Management's opinion:

- (a) there are reasonable grounds to believe that the Association is able to pay all of its debts, as and when they become due and payable; and
- (b) 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*.



Director
Stephen Bowman

Dated this 8th day of October 2018

EDMUND RICE CENTRE MIRRABOOKA INC
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INDEPENDENT AUDITORS REPORT

