

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDATION 61 INC

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Foundation 61 Inc, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity 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.

Committees' Responsibility for the Financial Report

The committee of Foundation 61 Inc is responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profit Commission Act (ACNC Act) and is appropriate to meet the needs of the members. The committees' responsibility also includes such internal control as the committee has determined is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 association'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 association'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Qualifications

Foundation 61 have not accurately accrued for employee provisions throughout the income year ending 30 June 2016. Audit therefore were unable to obtain any assurance over the accuracy and completeness of employee entitlements.

Qualified Auditors Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph did not exist, the financial report presents fairly, in all material respects the financial performance of Foundation 61 Inc for the year ended 30 June 2016,

FOUNDATION 61 INC.

A.B.N 79 079 178 867

**AUDITORS INDEPENDENCE DECLARATION UNDER 60-40 OF THE AUSTRALIAN
CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE MANAGEMENT
COMMITTEE OF FOUNDATION 61 INCORPORATION.**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

- I. No contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- II. No contraventions of any applicable code of professional conduct in relation to the audit.



Stephen Kirtley

Director

101 West Fyans Street,
Newtown, Geelong, 3220

**FOUNDATION 61 INC.
A.B.N. 79 079 178 867**

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash Assets	4	139,876	40,667
Trade Receivables		<u>14,080</u>	<u>2,210</u>
TOTAL CURRENT ASSETS		<u>153,956</u>	<u>42,877</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	<u>489,480</u>	<u>454,127</u>
TOTAL NON-CURRENT ASSETS		<u>489,480</u>	<u>454,127</u>
TOTAL ASSETS		<u>643,436</u>	<u>497,004</u>
LIABILITIES			
CURRENT LIABILITIES			
Annual Leave Accrued ¹		9,126	9,126
Tax Payable		6,169	(3,887)
Payables		<u>12,415</u>	<u>3,777</u>
TOTAL CURRENT LIABILITIES		<u>27,710</u>	<u>9,016</u>
NET ASSETS		<u>615,726</u>	<u>487,988</u>
EQUITY			
Opening Balance		487,988	462,135
Current Year Earnings		<u>127,738</u>	<u>25,853</u>
TOTAL EQUITY	6	<u>615,726</u>	<u>487,988</u>

1 Annual Leave accrued has not been updated from prior year due to a lack of documentation provided.
Audit have qualified on the Annual Leave Accrued.

The accompanying notes form part of these financial statements.

FOUNDATION 61 INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016	2015
		\$	\$
Cash Flows From Operating Activities			
Receipts from Customers		473,883	417,977
Payments to Employees		(121,732)	(175,734)
Other Payments		(153,815)	(201,185)
Net Cash Provided by Operating Activities	7	<u>198,336</u>	<u>41,058</u>
Cash Flows From Investing Activities			
Payments for Purchase of Fixed Assets		<u>(99,200)</u>	<u>(160,644)</u>
Net Cash Provided by Investing Activities		<u>(99,200)</u>	<u>(160,644)</u>
Net Increase in Cash Held		99,208	(119,586)
Cash at 1 July		<u>40,667</u>	<u>160,253</u>
Cash at 30 June		<u><u>139,875</u></u>	<u><u>40,667</u></u>

The accompanying notes form part of these financial statements.

FOUNDATION 61 INC.
A.B.N. 79 079 178 867

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 2: OTHER REVENUE		
Client Fees	151,936	132,349
Grants	57,000	105,000
Miscellaneous Income	82,835	92,582
Reimbursed Expenses	15,695	4,191
Interest Income	72	267
Rounding	20	-
	<u>307,558</u>	<u>334,389</u>
 NOTE 3: OTHER EXPENSES		
Accounting	1,100	1,000
Bank Charges	1,138	872
Donations	2,466	1,276
Consultants	-	4,337
First Aid	-	94
Internet	777	660
Office Supplies	2,015	-
Other Expenses	10	-
Printing and Reproduction	456	2,330
Registrations	509	23
Software	436	382
Statutory Charges	109	106
Subscriptions	152	425
Web Page	445	315
Women's Program	3,612	3,340
Training	6,132	2,381
	<u>19,358</u>	<u>17,541</u>

FOUNDATION 61 INC.
A.B.N. 79 079 178 867

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 6: RETAINED PROFITS	2016	2015
	\$	\$
Opening Balance Equity	487,988	462,135
Net Profit	<u>127,738</u>	<u>25,853</u>
Retained Profits at 30 June	<u><u>615,726</u></u>	<u><u>487,988</u></u>

**NOTE 7: RECONCILIATION OF NET CASH PROVIDED BY OPERATING
ACTIVITIES TO OPERATING RESULT**

Operating Profit	127,738	25,853
Deprecation	17,736	14,494
(Increase)/Decrease in Receivables	11,869	168
Increase/(Decrease) in Creditors	<u>(9,509)</u>	<u>543</u>
	<u><u>147,834</u></u>	<u><u>41,058</u></u>