

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue from Ordinary Activities			
Donations		177,468	79,639
Other Revenue	2	363,057	306,915
		<u>540,525</u>	<u>386,554</u>
Expenses from Ordinary Activities			
Depreciation		16,474	18,350
Consumables		20,441	25,996
Courses and Seminars		-	818
Employment Expenses		304,018	249,508
Insurance		15,499	11,945
Mens Program Expenses		3,879	3,773
Motor Vehicle Expenses		33,818	32,068
Occupancy Expenses		87,779	72,594
Other Expenses	3	28,027	36,879
		<u>509,935</u>	<u>451,931</u>
Net Result from Ordinary Activities		<u>30,590</u>	<u>(65,377)</u>
Total Comprehensive Income (Loss) for the Year		<u><u>30,590</u></u>	<u><u>(65,377)</u></u>

The accompanying notes form part of these financial statements.

FOUNDATION 61 INC.
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash Assets	4	155,964	114,191
Trade Receivables		-	2,653
TOTAL CURRENT ASSETS		<u>155,964</u>	<u>116,844</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	465,653	471,131
TOTAL NON-CURRENT ASSETS		<u>465,653</u>	<u>471,131</u>
TOTAL ASSETS		<u>621,617</u>	<u>587,975</u>
LIABILITIES			
CURRENT LIABILITIES			
Annual Leave Accrued		18,484	16,097
Tax Payable		78	7,236
Payables		10,967	7,236
Long Service Leave Accrued		11,149	7,057
TOTAL CURRENT LIABILITIES		<u>40,678</u>	<u>37,626</u>
NET ASSETS		<u>580,939</u>	<u>550,349</u>
EQUITY			
Opening Balance		550,349	615,726
Current Year Earnings		30,590	(65,377)
TOTAL EQUITY	6	<u>580,939</u>	<u>550,349</u>

The accompanying notes form part of these financial statements.

FOUNDATION 61 INC.
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Retained Profits \$	Total \$
Balance as at 1 July 2016		615,726	615,726
Total comprehensive income for the year		(65,377)	(65,377)
Balance as at 30 June 2017	6	<u>550,349</u>	<u>550,349</u>
Total comprehensive income for the year		30,590	30,590
Balance as at 30 June 2018	6	<u>580,939</u>	<u>580,939</u>

The accompanying notes form part of these financial statements.

FOUNDATION 61 INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Cash Flows From Operating Activities			
Receipts from Customers		543,178	397,980
Payments to Employees		(297,539)	(235,481)
Other Payments		(192,870)	(188,183)
Net Cash Provided by Operating Activities	7	52,769	(25,684)
 Cash Flows From Investing Activities			
Payments for Purchase of Fixed Assets		(10,996)	-
Net Cash Provided by Investing Activities		(10,996)	-
 Net Increase in Cash Held			
		41,773	(25,684)
Cash at 1 July		114,191	139,875
Cash at 30 June		155,964	114,191

The accompanying notes form part of these financial statements.

**FOUNDATION 61 INC.
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Act 2012. The committee has determined that the association is not a reporting entity. No Australian Accounting Standards or other pronouncements of the Australian Accounting Standards Board have been applied.

(a) Accounting Method:

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policy is consistent with the previous period unless otherwise stated and has been adopted in the preparation of this financial report.

(b) Fixed Assets

Plant and equipment are brought to account at cost. The depreciable amount of all fixed assets (excluding buildings) are depreciated over the useful lives of the assets to the association commencing from the time that the asset is held ready for use.

(c) Depreciation

All assets except land & buildings are depreciated over their estimated useful lives using the straight-line method. The depreciation rate used for Plant and Equipment is the applicable Australian Taxation Office rate.

The depreciation rates for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>	
	2018	2017
Gym Equipment	20%	20%
Shed	20%	20%
Motor Vehicles	20%	20%
Building Improvements	2.5%	2.5%
Workshop Equipment	20%	20%
Rehab Equipment	20%	20%
Classroom	20%	20%

(d) Revenue

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

Donations and grants are recognised as income upon receipt.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
NOTE 2: OTHER REVENUE		
Client Fees	193,191	186,062
Grants	30,000	50,000
Miscellaneous Income	139,866	70,853
Reimbursed Expenses	-	-
Interest Income	-	-
Rounding	-	-
	<u>363,057</u>	<u>306,915</u>
NOTE 3: OTHER EXPENSES		
Accounting	1,250	1,200
Bank Charges	1,312	1,273
Advertising	672	660
Consultants	600	2,727
Miscellaneous	8,302	4,828
Internet	654	627
Office Supplies	2,860	5,504
Printing and Reproduction	727	161
Registrations	-	45
Software	-	-
Statutory Charges	806	112
Subscriptions	800	362
Donations	1,964	1,636
Web Page	-	-
Women's Program	2,463	3,303
Training	5,617	14,441
	<u>28,027</u>	<u>36,879</u>

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 4: CASH ASSETS	2018	2017
	\$	\$
Petty Cash	804	1,840
Gift Account - Bendigo Bank	5,548	125
Holding Account - Bendigo Bank	63,218	30,454
Working Account - Bendigo Bank	86,394	81,772
	<u>155,964</u>	<u>114,191</u>
 NOTE 5: PROPERTY PLANT & EQUIPMENT		
Land and Buildings - at cost	<u>150,000</u>	<u>150,000</u>
House Extensions at cost*	329,779	329,779
Less Accumulated Depreciation	<u>(38,891)</u>	<u>(31,115)</u>
	290,888	298,664
Office Equipment	4,491	6,245
Less Accumulated Depreciation	<u>(175)</u>	<u>(6,245)</u>
	4,316	-
Workshop Equipment	39,054	39,054
Less Accumulated Depreciation	<u>(31,985)</u>	<u>(26,740)</u>
	7,069	12,314
House Contents	20,017	10,060
Less Accumulated Depreciation	<u>(15,225)</u>	<u>(10,049)</u>
	4,792	11
Motor Vehicles	37,168	37,168
Less Accumulated Depreciation	<u>(35,592)</u>	<u>(34,228)</u>
	1,576	2,940
Shop Fittings	-	6,603
Less Accumulated Depreciation	<u>-</u>	<u>(6,603)</u>
	-	-
Gym Equipment	-	9,957
Less Accumulated Depreciation	<u>-</u>	<u>(3,173)</u>
	-	6,784
Classroom	-	145
Less Accumulated Depreciation	<u>-</u>	<u>-</u>
	-	145
Shed	-	455
Less Accumulated Depreciation	<u>-</u>	<u>(182)</u>
	-	273
Russells Rd Project	7,014	-
Less Accumulated Depreciation	<u>(2)</u>	<u>-</u>
	7,012	-
TOTAL PROPERTY PLANT & EQUIPMENT	<u><u>465,653</u></u>	<u><u>471,131</u></u>

* Under the Foundation's Memorandum Of Understanding with Barrabool Hills Church, the Foundation only owns 19.85% of the property and any improvements made to the property, regardless of which party paid for those improvements. The full cost of the improvements, paid for by the Foundation, have been included in these financial statements as the Foundation is expected to occupy the property for the foreseeable future and gain the benefit of the house extensions over many years.

FOUNDATION 61 INC.
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 6: RETAINED PROFITS	2018	2017
	\$	\$
Opening Balance Equity	550,349	615,726
Net Profit	<u>30,590</u>	<u>(65,377)</u>
Retained Profits at 30 June	<u><u>580,939</u></u>	<u><u>550,349</u></u>

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

Operating Profit	30,590	(65,377)
Depreciation	16,474	18,350
(Increase)/Decrease in Receivables	2,653	11,426
Increase/(Decrease) in Employee Entitlements	6,479	14,028
Increase/(Decrease) in Creditors	<u>(3,427)</u>	<u>(4,111)</u>
	<u><u>52,769</u></u>	<u><u>(25,684)</u></u>

FOUNDATION 61 INC

STATEMENT BY COMMITTEE OF MANAGEMENT

In the opinion of the committee of management of Foundation 61 Inc;

- a) The financial statements and notes give a true and fair view of the financial position and performance of the association.
- b) The financial statements and notes are in accordance with the requirements of the Australian Charities and Not-for-profits Act 2012.
- c) At the date of this statement, there are reasonable grounds to believe that Foundation 61 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 of Management made pursuant with subsection 60.15 (2) of the Australian Charities and Not-for-profits Commission Regulations 2013.

On behalf of the Committee by:

Brenda Hustable

Dated this 23rd day of November 2018.



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

Qualified Opinion

We have audited the financial report of Foundation 61 Inc (the association), which comprises the assets and liabilities statement as at 30 June 2018, the income and expenditure statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial report presents fairly, in all material respects, the financial position of the association as at 30 June 2018 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*.

Basis for Qualified Opinion

The records of the association in relation to employee leave entitlements were not complete and as a result we were unable to gain sufficient audit evidence that the employee provisions disclosed in the statement of financial position were not materially misstated.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Basis of Accounting and Restriction 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 for the association for the purpose of fulfilling the directors' financial reporting responsibilities under the *ACNC Act*. As a result, the financial report may not be suitable for another purpose.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *ACNC Act* and for such internal control as the committee 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, the committee 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 the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Stephen Kirtley
Director

Dated this 23rd day of November, 2018

Davidsons Assurance Services Pty Ltd
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