

Foundation 61 Inc.  
ABN 79079178867  
For the year ended 30 June 2019

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# Committee's Report

Foundation 61 Inc.

For the year ended 30 June 2019

## Committee's Report

Your committee members submit the financial report of Foundation 61 Inc. for the financial year ended 30 June 2019.

## Committee Members

The names of committee members throughout the year and at the date of this report are:

Committee Member	Position	Date Started	Experience	Qualification
Hal Bisset	Chairperson			
Colin Bell	Deputy Chairperson			
Melissa Lovell	Secretary			
Brenda Lyons	Treasurer			
Michael Brugman	Committee Member			
Kaye Ward	Committee Member			

## Meetings of Committee Members

During the financial year, a number of committee meetings were held. Attendances by each committee member during the year were as follows:

Committee Members Name	Number Eligible to Attend	Number Attended
Hal Bisset	10	10
Colin Bell	10	9
Michael Brugman	10	9
Brenda Lyons	10	8
Frank Pollock	5 (stepped down from committee 27/11/18)	5
Kaye Ward	10	9
Melissa Lovell	6 (on leave of absence)	3

## Principal Activities

Not-for-profit community based charity that seeks to provide healing and hope for people affected by addiction. Provide long stay residential based drug and alcohol rehabilitation centre.

### **Significant Changes**

During 2018/19 Foundation 61 signed a Funding Agreement with the Commonwealth Government for \$169,534 for Stage 1 of a project to develop a Women's Drug and alcohol rehabilitation facility at Mt Duneed. Once planning approval is achieved a second agreement for \$1,330,466 will be signed to settle on the purchase of the land and construct the facility. It is expected this will be signed in 2019/20 year with construction completed in 2020/21.

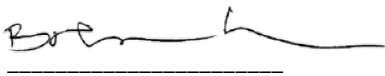
### **Operating Result**

The surplus after providing for income tax for the financial year amounted to \$137,382

### **Going Concern**

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

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



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Brenda Lyons - committee member (Treasurer)

Date 22 / 11 / 2019

# Income and Expenditure Statement

Foundation 61 Inc.

For the year ended 30 June 2019

	2019	2018
<b>Total Income</b>		
Training Income	117,833	85,143
Client Fees	210,827	193,191
Gifts and Donations	210,002	195,468
Miscellaneous Income	74,036	36,723
Grants	73,093	30,000
<b>Total Total Income</b>	<b>685,792</b>	<b>540,525</b>
<b>Expenditure</b>		
Depreciation	19,286	16,474
Motor Vehicles	31,083	33,772
Mens Program Costs	33,554	20,770
Womens Program Costs	3,639	2,463
Employment Expenses	344,349	304,019
Occupancy Expenses	63,144	71,940
Insurance	14,895	15,499
Social Enterprise Projects	9,780	10,801
Other Expenses	28,680	34,199
<b>Total Expenditure</b>	<b>548,410</b>	<b>509,936</b>
<b>Current Year Surplus/ (Deficit) Before Income Tax Adjustments</b>	<b>137,382</b>	<b>30,588</b>
<b>Current Year Surplus/(Deficit) Before Income Tax</b>	<b>137,382</b>	<b>30,588</b>
<b>Net Current Year Surplus After Income Tax</b>	<b>137,382</b>	<b>30,588</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Assets and Liabilities Statement

Foundation 61 Inc.

As at 30 June 2019

	NOTES	30 JUN 2019	30 JUN 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	2	151,314	155,963
Trade and Other Receivables	3	26,758	-
GST Receivable		-	3,566
Fringe Benefits Tax Payable		1,214	464
<b>Total Current Assets</b>		<b>179,287</b>	<b>159,993</b>
<b>Non-Current Assets</b>			
Plant and Equipment and Vehicles	5	11,688	17,753
Land and Buildings	4	574,853	447,899
<b>Total Non-Current Assets</b>		<b>586,542</b>	<b>465,653</b>
<b>Total Assets</b>		<b>765,828</b>	<b>625,646</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	6	5,102	7,049
GST Payable		3,479	-
Client Petty Cash Payable		2,726	2,036
Employee Entitlements	7	36,202	35,623
<b>Total Current Liabilities</b>		<b>47,509</b>	<b>44,708</b>
<b>Total Liabilities</b>		<b>47,509</b>	<b>44,708</b>
<b>Net Assets</b>		<b>718,320</b>	<b>580,937</b>
<b>Member's Funds</b>			
Opening Balance		580,937	550,349
Current Year Earnings		137,382	30,588
<b>Total Member's Funds</b>		<b>718,320</b>	<b>580,937</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Notes to the Financial Statements

**Foundation 61 Inc.**

**For the year ended 30 June 2019**

## **1. Summary of Significant Accounting Policies**

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission 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 have been applied.

### **a) Accounting Method**

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

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.

### **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 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 & Equipment is the applicable Australian Taxation Office rate.

## **Employee Provisions**

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 provisions have been measured at the amounts expected to be paid when the liability is settled.

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

## **Cash on Hand**

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

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These notes should be read in conjunction with the attached compilation report.

## Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

## Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

## 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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

## Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

	2019	2018
<b>2. Cash on Hand</b>		
<b>Bank &amp; Petty Cash</b>		
Bank - Gift Account	3,211	5,548
Bank - Holding Account	112,182	63,218
Bank - Working Account	35,169	86,394
Petty Cash	752	804
<b>Total Cash on Hand</b>	<b>151,314</b>	<b>155,963</b>
	2019	2018
<b>3. Trade and Other Receivables</b>		
Trade Receivables	26,758	-
<b>Total Trade and Other Receivables</b>	<b>26,758</b>	<b>-</b>

These notes should be read in conjunction with the attached compilation report.



	2019	2018
<b>4. Land and Buildings</b>		
<b>Land</b>		
Land at Cost	150,000	150,000
Land & Buildings - Russells Road	38,636	-
<b>Total Land</b>	<b>188,636</b>	<b>150,000</b>
<b>Buildings</b>		
Buildings at Cost	329,779	329,779
Accumulated Depreciation of Buildings	(47,120)	(38,891)
<b>Total Buildings</b>	<b>282,659</b>	<b>290,888</b>
<b>Russells Road Project</b>		
Russells Road Project	103,561	7,014
Russells Road Project - Accumulated Depreciation	(2)	(2)
<b>Total Russells Road Project</b>	<b>103,559</b>	<b>7,012</b>
<b>Total Land and Buildings</b>	<b>574,853</b>	<b>447,899</b>
	2019	2018

**5. Plant and Equipment, Motor Vehicles**

<b>Plant and Equipment</b>		
<b>Plant &amp; Equipment at Cost</b>		
Rehab Equipment	20,017	20,017
Office Equipment	6,035	4,491
Workshop Equipment	40,319	39,054
<b>Total Plant &amp; Equipment at Cost</b>	<b>66,372</b>	<b>63,562</b>
<b>Accumulated Depreciation of Plant and Equipment</b>		
Less Accumulated Depreciation - Rehab Equipment	(17,216)	(15,225)
Less Accumulated Depreciation on Office Equipment	(1,965)	(175)
Less Accumulated Depreciation on Workshop equipment	(37,474)	(31,985)
<b>Total Accumulated Depreciation of Plant and Equipment</b>	<b>(56,655)</b>	<b>(47,385)</b>
<b>Total Plant and Equipment</b>	<b>9,717</b>	<b>16,177</b>
<b>Motor Vehicles</b>		
Motor Vehicles at Cost	39,350	37,168
Accumulated Depreciation of Motor Vehicles	(37,379)	(35,592)
<b>Total Motor Vehicles</b>	<b>1,971</b>	<b>1,576</b>
<b>Total Plant and Equipment, Motor Vehicles</b>	<b>11,688</b>	<b>17,753</b>
	2019	2018

**6. Trade and Other Payables**

<b>Trade Payables</b>		
Accounts Payable	-	2,941
<b>Total Trade Payables</b>	<b>-</b>	<b>2,941</b>

These notes should be read in conjunction with the attached compilation report.

**Other Payables**

PAYG Withholding Payable	5,102	4,108
<b>Total Other Payables</b>	<b>5,102</b>	<b>4,108</b>
<b>Total Trade and Other Payables</b>	<b>5,102</b>	<b>7,049</b>
	2019	2018

**7. Employee Entitlements**

Provision for Annual Leave	20,766	18,484
Provision for Long Service Leave	8,975	11,149
Superannuation Payable	6,461	5,990
<b>Total Employee Entitlements</b>	<b>36,202</b>	<b>35,623</b>

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These notes should be read in conjunction with the attached compilation report.

# Movements in Equity

Foundation 61 Inc.

For the year ended 30 June 2019

	2019	2018
<b>Retained Earnings</b>		
Retained Earnings	580,937	550,349
Profit for the Period	137,382	30,588
<b>Total Retained Earnings</b>	<b>718,320</b>	<b>580,937</b>

# Statement of Cash Flows - Direct Method

Foundation 61 Inc.

For the year ended 30 June 2019

2019

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## Operating Activities

Payments to Suppliers and Employees	(273,850)
Finance Costs	(9,387)
Cash Receipts From Other Operating Activities	685,792
Cash Payments From Other Operating Activities	(265,173)
<b>Net Cash Flows from Operating Activities</b>	<b>137,382</b>

## Investing Activities

Proceeds From Sales of Property, Plant and Equipment	19,286
Payment for Property, Plant and Equipment	(140,175)
Other Cash Items From Investing Activities	(26,758)
<b>Net Cash Flows from Investing Activities</b>	<b>(147,647)</b>

## Other Activities

Other Activities	5,616
<b>Net Cash Flows from Other Activities</b>	<b>5,616</b>

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## Net Cash Flows

**(4,649)**

## Cash and Cash Equivalents

Cash and cash equivalents at beginning of period	155,963
Cash and cash equivalents at end of period	151,314
<b>Net change in cash for period</b>	<b>(4,649)</b>

# True and Fair Position

**Foundation 61 Inc.**

**For the year ended 30 June 2019**

## **Annual Statements Give True and Fair View of Financial Position and Performance of the Association**

I, Brenda Lyons, being a member of the committee of Foundation 61, certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of Foundation 61 during and at the end of the financial year of the association ending on 30 June 2019.

The Financial statements and notes are in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

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.

Signed: 

Dated: 22 / 11 / 2019



**BARKLEY**

& ASSOCIATES PTY LTD

Chartered Accountants

# Auditor's Report

Foundation 61 Inc.

For the year ended 30 June 2019

## Independent Auditor's Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Foundation 61 (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2019, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, 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.

## Committee's Responsibility for the Financial Report

The committee of Foundation 61 is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Australian Charities and not for Profits Commission Act 2012 and is appropriate to meet the needs of the members. The committee's responsibility also includes 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.

## 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 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 association's preparation and fair presentation of the financial report, 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.

## Opinion

In our opinion, the financial report presents fairly, in all material respects (or gives a true and fair view – refer to the applicable state/territory Act), the financial position of Foundation 61 as at 30 June 2019 and (of) 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 ACNC Act.

## Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Foundation 61 to meet the requirements of the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Auditor's signature: \_\_\_\_\_

Lester Barkley CA

Barkley & Associates

P O Box 6437, Highton VIC 3232

Dated: 22nd November 2019