

PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
TRADING AS NEIGHBOURHOOD CENTRAL
ABN 31 813 464 950

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

2016		Note	2017
\$			\$
2,356,184.13	Revenue	3	2,461,148.04
(15,060.00)	Accountancy expenses		(12,870.00)
(6,500.00)	Auditor's remuneration	4	(6,800.00)
(77,451.00)	Depreciation and amortisation expenses		(112,015.00)
(1,220,821.66)	Employee benefits expenses		(1,302,585.23)
-	Bad Debts	5	(25.00)
(715,087.36)	Other expenses		(822,588.90)
<u>321,264.11</u>	Profit before income tax	5	<u>204,263.91</u>
-	Other Comprehensive Income		-
<u>321,264.11</u>	Profit attributable to the association		<u>204,263.91</u>

The accompanying notes form part of these financial statements.

PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
TRADING AS NEIGHBOURHOOD CENTRAL
ABN 31 813 464 950

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

2016 \$		Note	2017 \$
	ASSETS		
	CURRENT ASSETS		
2,254,780.76	Cash and cash equivalents	6	2,387,523.13
72,106.70	Trade and other receivables	7	43,791.81
16,319.76	Inventories	8	9,029.28
<u>2,343,207.22</u>	TOTAL CURRENT ASSETS		<u>2,440,344.22</u>
	NON-CURRENT ASSETS		
308,408.85	Property, plant and equipment	9	243,508.23
<u>308,408.85</u>	TOTAL NON-CURRENT ASSETS		<u>243,508.23</u>
<u>2,651,616.07</u>	TOTAL ASSETS		<u>2,683,852.45</u>
	LIABILITIES		
	CURRENT LIABILITIES		
180,321.29	Trade and Other Payables	10	109,952.60
216,650.00	Provisions	10	240,184.22
1,063.39	Borrowings	11	1,915.78
207,928.96	Other current liabilities	12	81,883.51
<u>605,963.64</u>	TOTAL CURRENT LIABILITIES		<u>433,936.11</u>
<u>605,963.64</u>	TOTAL LIABILITIES		<u>433,936.11</u>
<u>2,045,652.43</u>	NET ASSETS		<u>2,249,916.34</u>
	EQUITY		
2,045,652.43	Retained earnings	13	2,249,916.34
<u>2,045,652.43</u>	TOTAL EQUITY		<u>2,249,916.34</u>

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**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Retained earnings \$
Balance at 1 July 2015		1,724,388.32
Profit attributable to members		<u>321,264.11</u>
Balance at 30 June 2016		<u>2,045,652.43</u>
Profit attributable to members		<u>204,263.91</u>
Balance at 30 June 2017		<u>2,249,916.34</u>

The accompanying notes form part of these financial statements.

**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

2016		2017
\$		\$
	CASH FLOWS FROM OPERATING ACTIVITIES	
2,408,960.43	Receipts from customers	2,365,116.97
<u>(1,961,198.50)</u>	Payments to suppliers and employees	<u>(2,180,875.61)</u>
<u>447,761.93</u>	Net cash provided by operating activities	<u>184,241.36</u>
	14	
	CASH FLOWS FROM INVESTING ACTIVITIES	
207,928.96	Other liabilities received	-
<u>(138,020.21)</u>	Payments for property, plant and equipment	<u>(52,351.38)</u>
<u>69,908.75</u>	Net cash provided by (used in) investing activities	<u>(52,351.38)</u>
517,670.68	Net increase (decrease) in cash held	131,889.98
<u>1,736,046.69</u>	Cash at beginning of financial year	<u>2,253,717.37</u>
<u>2,253,717.37</u>	Cash at end of financial year	<u>2,385,607.35</u>
	6	

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**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
TRADING AS NEIGHBOURHOOD CENTRAL
ABN 31 813 464 950**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

1 Summary of Significant Accounting Policies

The financial statements cover Parkes & District Neighbourhood & Community Information Centre Inc Trading as Neighbourhood Central ABN 31 813 464 950 as an individual entity. Parkes & District Neighbourhood & Community Information Centre Inc Trading as Neighbourhood Central ABN 31 813 464 950 is an association incorporated in NSW under the Associations Incorporation Act 2009 ('the Act').

2 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the reduced disclosure regime under Australian Accounting Standards, Australian Accounting Interpretations, the Australian Charities and Not-For-Profits Commission Act 2012 and the Associations Incorporation Act 2009.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless stated otherwise.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received.

Property, Plant and Equipment

Due to the nature of the funding received by the Parkes & District Neighbourhood & Community Information Centre Inc, property, plant & equipment costing less than \$5,000 is generally expensed in the year that the appropriate funding is received. The appropriate funding bodies have advised that vehicles belonging to Neighbourhood Central Community Transport, should be subject to capitalisation and depreciation.

Any vehicles purchased since notification of this requirement have been capitalised and depreciated, however vehicles previously purchased and expensed have not been brought back into the accounts. When a previously expensed vehicle is sold the proceeds are brought to account as income.

**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Plant and equipment

Plant and equipment that has been capitalised is measured at the cost basis and is therefore carried at cost less accumulated depreciation and any accumulated impairment.

In the event the carrying value of plant and equipment is greater than the estimated recoverable amount, the carrying value is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the association. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of the reporting period.

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 statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
TRADING AS NEIGHBOURHOOD CENTRAL
ABN 31 813 464 950**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Employee Benefits

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 benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet.

PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
TRADING AS NEIGHBOURHOOD CENTRAL
ABN 31 813 464 950

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

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

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Program Funding

Government Funding is recognised as revenue under AASB 1004 when the following conditions are met:

- The entity obtains control of the contribution or the right to receive the contribution;
- It is probable that the economic benefits comprising the contribution will flow to the entity; and
- The amount of the contribution can be measured reliably.

Grant revenue is recognised in the Statement of Comprehensive Income when it is controlled. When there are conditions attached to grant revenue, relating to the use of those grants for specific purposes or requiring repayment if grant is unspent, it is recognised in the Statement of Financial Position as a liability until such conditions are met or services provided.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
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ABN 31 813 464 950**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

Income Tax

No provision for income tax has been raised as the entity is exempted from income tax as a charity under Division 50 of the Income Tax Assessment Act 1997.

**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INC
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ABN 31 813 464 950**

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is a reporting entity and that this general purpose financial statement should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 1 to 14:

1. Present fairly the financial position of Parkes & District Neighbourhood & Community Information Centre Inc Trading as Neighbourhood Central ABN 31 813 464 950 as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Parkes & District Neighbourhood & Community Information Centre Inc Trading as Neighbourhood Central ABN 31 813 464 950 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 and is signed for and on behalf of the Committee by:

Secretary
President: 

Treasurer: 

Dated this 8th day of September 2017

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF:

PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE INCORPORATED

Opinion

We have audited the accompanying financial report, being a general purpose financial report, of Parkes & District Neighbourhood & Community Information Centre Incorporated, which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the Committee's declaration.

In our opinion, the financial report of Parkes & District Neighbourhood & Community Information Centre Incorporated has been prepared in accordance with the *Associations Incorporation Act 2009* and *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
- (ii) complying with relevant Australian Accounting Standards, the *Associations Incorporation Regulation 2016* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* 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 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.

Information Other than the Financial Report and Auditor's Report Thereon

The committee 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 2017, 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.

Committees' Responsibility for the Financial Report

The committee is responsible for the preparation of the financial report in accordance with the *Associations Incorporation Act (NSW) 2009*, *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

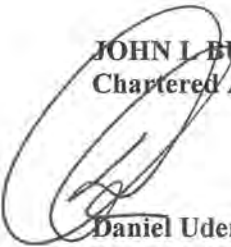
In preparing the financial report, the committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. The committee is responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility

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 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 the 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.

JOHN L BUSH & CAMPBELL
Chartered Accountants



Daniel Uden
Partner

Wagga Wagga
8 September 2017

**PARKES & DISTRICT NEIGHBOURHOOD & COMMUNITY INFORMATION CENTRE
INCORPORATED**

DISCLAIMER:

The additional financial data presented with this report being the detailed profit and loss statement is in accordance with the books and records of Parkes & District Neighbourhood & Community Information Centre Incorporated which have been subjected to the audit procedures applied in our statutory audit of the Association for the year ended 30 June 2017. It will be appreciated that our statutory audit did not cover all details of additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

In accordance with our Firm's policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person (other than the Association) in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

JOHN L BUSH & CAMPBELL
Chartered Accountants


Daniel Uden
Partner

Wagga Wagga
8 September 2017