

Mt Nebo Residents Association Inc.

**Financial Statements
For the year ended 31 December 2016**

Mt Nebo Residents Association Inc.
Income Statement
For the year ended 31 December 2016

	2016	2015
	\$	\$
Income		
Donations	5,330	105
Fundraising	23,702	29,319
Interest	45	113
Membership	365	355
Other Income	-	770
Hall Hire	1,905	2,104
Grants	42,460	22,249
	<u>73,807</u>	<u>55,015</u>
Expenses		
Advertising	991	-
Audit Fees	400	440
Bank Charges	585	1,022
Depreciation	5,114	4,418
Insurance	5,594	5,572
Fundraising Expense	10,958	11,160
Power and Gas	864	1,063
Equipment	-	267
Postage	-	41
Professional Fees	2,029	-
Rates	17	-
Repairs	4,186	-
Sundry	1,426	13,856
	<u>32,164</u>	<u>37,839</u>
Net surplus / (deficit)	<u>41,643</u>	<u>17,176</u>

The accompanying notes form part of these financial statements

Mt Nebo Residents Association Inc.
Balance Sheet
As at 31 December 2016

	2016	2015
	\$	\$
Assets		
Current assets		
Cash at Bank and On Hand	50,328	8,440
Cash at bank - Reserve	4,367	6,827
Total current assets	<u>54,695</u>	<u>15,267</u>
Non-current assets		
Plant and equipment	71,603	69,388
Total non-current assets	<u>71,603</u>	<u>69,388</u>
Total assets	<u>126,298</u>	<u>84,655</u>
Net assets	<u>126,298</u>	<u>84,655</u>
Equity		
Accumulated surplus from prior years	84,655	67,479
Current year surplus/(deficit)	41,643	17,176
Total equity	<u>126,298</u>	<u>84,655</u>

The accompanying notes form part of these financial statements

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

In the Management Committees' opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Queensland legislation *Associations Incorporation Act 1981* and associated regulations. The Management Committee has determined that the accounting policies adopted are appropriate to meet the needs of the users.

These financial statements have been prepared under the historical cost convention and do not take into account changing monetary values. The cash and going concern basis have been adopted.

Income tax

As the incorporated association is a not-for-profit organisation, it has been granted exemption from the Commissioner of Taxation for payment of income tax.

Revenue recognition

Revenue is recognised when received and is measured at the fair value of the consideration received.

Grants

Grants are recognised at the value of consideration received.

Other revenue

Other revenue is recognised when it is received.

Depreciation of property, plant and equipment

Depreciation is calculated on a straight line and diminishing value basis to write off the net cost of each item of plant and equipment over its expected useful life.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised inclusive of the amount of associated GST.

Receivables and payables are stated inclusive of the amount of GST receivable or payable.

Mt Nebo Residents Association Inc.

Declaration by the members of the management committee

As described in the basis of preparation accounting policy included in note 1 to the financial statements, the incorporated association is not a reporting entity and these are special purpose financial statements.

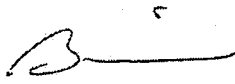
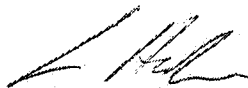
The committee of the incorporated association declare that the financial statements and notes:

- (a) comply with the accounting policies as detailed in note 1 to the financial statements; and
- (b) give a true and fair view of the incorporated association's financial position as at 31 December 2016 and of its performance for the year ended on that date.

In the committees' opinion:

- (c) there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

Signed on behalf of the management committee:

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President

Treasurer

COMMITTEE MEMORANDUM

5 March 2017

The accompanying notes form part of these financial statements

INDEPENDENT AUDITOR'S REPORT

To the members of Mt Nebo Residents' Association Inc.:

Report on the Financial Report

We have audited the accompanying financial report of Mt Nebo Residents Association Inc., which comprises the balance sheet as at 31 December 2016, the income statement for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and management committees' declaration.

Management committee's Responsibility for the Financial Report

The management committees is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Associations Incorporation Act 1981* and for such internal control as the management committees determines is necessary to enable the preparation and fair presentation of the 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 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 about 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

The financial report gives a true and fair view of the financial position of Mt Nebo Residents' Association Inc. as at 31 December 2016, and of its financial performance for the period then ended in accordance with Note 1. Significant accounting policies.

Basis of Accounting

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 purpose of fulfilling the management committees' financial reporting responsibilities under the *Associations Incorporation Act 1981* and associated regulations. As a result, the financial report may not be suitable for another purpose.



Paul Smith CA
Principal
AuditSmith

Dated this 1st day of March 2017