

# **Mt Nebo Residents Association Inc.**

## **Financial Statements**

**For the year ended 31 December 2017**

**Mt Nebo Residents Association Inc.  
Income Statement  
For the year ended 31 December 2017**

|                                | <b>2017</b>      | <b>2016</b>      |
|--------------------------------|------------------|------------------|
|                                | <b>\$</b>        | <b>\$</b>        |
| <b>Income</b>                  |                  |                  |
| Donations                      | 15.05            | 5,329.70         |
| Fundraising                    | 24,403.69        | 23,701.91        |
| Interest                       | 21.23            | 44.95            |
| Membership                     | 232.66           | 365.00           |
| Hall Hire                      | 1,160.00         | 1,905.00         |
| Grants                         | 53,000.00        | 42,460.00        |
|                                | <u>78,832.63</u> | <u>73,806.56</u> |
| <b>Expenses</b>                |                  |                  |
| Advertising                    | 500.00           | 991.00           |
| Audit Fees                     | 440.00           | 400.00           |
| Bank Charges                   | 585.00           | 585.00           |
| Depreciation                   | 5,333.73         | 5,114.00         |
| Insurance                      | 5,594.03         | 5,594.03         |
| Fundraising Expense            | 8,167.35         | 10,957.51        |
| Power and Gas                  | 854.74           | 863.75           |
| Entertainers                   | 1,088.00         | -                |
| Gifts and Donations            | 961.50           | -                |
| Professional Fees              | -                | 2,029.00         |
| Rates                          | 126.40           | 17.20            |
| Repairs                        | 1,177.22         | 4,186.09         |
| Sundry                         | 24.26            | 1,426.47         |
|                                | <u>24,852.23</u> | <u>32,164.05</u> |
| <b>Net surplus / (deficit)</b> | <u>53,980.40</u> | <u>41,642.51</u> |

*The accompanying notes form part of these financial statements*

**Mt Nebo Residents Association Inc.**  
**Balance Sheet**  
**As at 31 December 2017**

|                                      | <b>2017</b>       | <b>2016</b>       |
|--------------------------------------|-------------------|-------------------|
|                                      | <b>\$</b>         | <b>\$</b>         |
| <b>Assets</b>                        |                   |                   |
| <b>Current assets</b>                |                   |                   |
| Cash at Bank and On Hand             | 13,816.81         | 50,327.93         |
| Cash at Bank - Reserve               | 3,019.43          | 4,366.85          |
| Total current assets                 | <u>16,836.24</u>  | <u>54,694.78</u>  |
| <b>Non-current assets</b>            |                   |                   |
| Property, Plant and Equipment        | <u>163,441.67</u> | <u>71,602.73</u>  |
| Total non-current assets             | <u>163,441.67</u> | <u>71,602.73</u>  |
| <b>Total assets</b>                  | <u>180,277.91</u> | <u>126,297.51</u> |
| <b>Net assets</b>                    | <u>180,277.91</u> | <u>126,297.51</u> |
| <b>Retained earnings</b>             |                   |                   |
| Accumulated Surplus from Prior Years | 126,297.51        | 84,655.00         |
| Current Year Surplus/(Deficit)       | <u>53,980.40</u>  | <u>41,642.51</u>  |
| <b>Total retained earnings</b>       | <u>180,277.91</u> | <u>126,297.51</u> |

*The accompanying notes form part of these financial statements*

**Mt Nebo Residents Association Inc.**  
**Notes to the financial statements**  
**31 December 2017**

**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.

**Mortgages, charges and securities**

There are no mortgages, charges or securities held over the assets of the association.

**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.

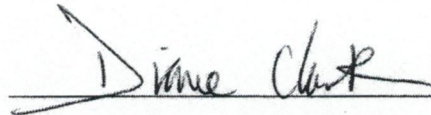

The committee of the incorporated association declare that the financial statements and notes:

- (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 2017 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

 March 2018

**INDEPENDENT AUDIT REPORT**  
**TO THE MEMBERS OF MT NEBO RESIDENTS ASSOCIATION INC.**

**Report on the Financial Report**

**Opinion**

We have audited the accompanying financial report of the Mt Nebo Residents Association Inc., which comprises the balance sheet as at 31 December 2017, the income statement for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the members of the committee.

In our opinion, the accompanying financial report of Mt Nebo Residents Association Inc. gives a true and fair view of the financial position of the Association as at 31 December 2017, and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

**Basis for Opinion**

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.

**Emphasis of Matter – Basis of Accounting**

Without modifying our opinion, we draw attention to the basis of accounting. The financial report has been prepared for the purpose of fulfilling the management committees' financial reporting responsibilities to their members. As a result, the financial report may not be suitable for another purpose.

**Committee's Responsibility for the Financial Report**

The Management Committee is responsible for the preparation and fair presentation of the financial report and for such internal control as the Committee 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.

In preparing the financial statements, the Management 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. Those charged with governance are responsible for overseeing the Association's financial reporting process.

**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.



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**Paul Smith CA**

Dated this 6<sup>th</sup> day of March 2018.