

RYE COMMUNITY HOUSE INC

ABN 68 360 898 929

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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RYE COMMUNITY HOUSE INC
ABN 68 360 898 929
COMMITTEE'S REPORT

Your committee members present the special purpose financial report on the entity for the financial year ended 31 December 2022.

Committee Members

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

Name	Portfolio	Date of Change
Amber Earles	President	
Bryce Paterson	Vice President	
Helen Murphy	Secretary	
Debra Allen	Treasurer	
Chris Greig	General Member	
Haylee Hazelwood	General Member	Appointed May 2022
Sarah Dyer	General Member	Appointed November 2022
Gareth James	General Member	Appointed January 2023
John Knowles	General Member	Resigned February 2022

Principal Activities

The principal activities of the entity during the financial year were to be the a provider of adult education, personal development, community building and childcare programs.

Significant Changes

No significant changes in the nature of the entity's activity occurred during the financial year.

Operating Results

The deficit for the year attributable to the entity amounted to \$5,839 (2021: \$12,279 - surplus).

Significant Changes in State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year.

After Balance Date Events

A matter has continue to evolve since 31 December 2022 that has significantly affected, or may significantly affect:

- (a) the entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the entity's state of affairs in future financial years.

The COVID19 pandemic may induce changes and uncertainty in the state of affairs of the association during the financial period ended 31 December 2023. The committee members will take all necessary measures to preserve reserves and shepherd the association through this uncertain period.

Signed in accordance with a resolution of the Members of the Committee.

President

Amber Earles

Secretary

Helen Murphy

Dated this

day of

RYE COMMUNITY HOUSE INC
ABN 68 360 898 929
INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 \$	2021 \$
INCOME		
Community House Income	205,043	173,059
Childcare	154,735	144,779
Classes	29,629	18,853
Donations	20,679	9,427
Funding & Grant Income	127,195	122,053
Mornington Peninsula Shire Council - Operational Funding	10,000	20,000
Mornington Peninsula Shire Council - Project Grants	20,115	-
Department of Health & Human Services	92,580	88,898
Department of Education & Early Childhood Development	1,000	-
Be Connected	-	2,500
Bendigo Bank - Art Show	2,500	-
RDCF - Fitness for Seniors	-	3,600
Rye & District Bendigo Bank Community Bank Grant	-	5,000
Rye Senior Citizen Club	-	2,055
Victoria Law Foundation - Law Week 2022	1,000	-
Other income	20,795	5,097
Interest received	88	196
Job Training Income	12,181	-
Membership Fees	2,750	2,519
Rent of Rooms & Hall	5,776	2,382
Sundry Income	-	0
TOTAL INCOME	353,033	300,209

RYE COMMUNITY HOUSE INC
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INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
EXPENDITURE		
Administration and Operating Expenses	105,185	85,316
Accounting Fees	8,820	7,700
Advertising/Marketing	5,802	4,007
Bad Debts	4,439	-
Bank Charges/Merchant Fees	842	783
Child Care Running/Maintenance Costs	2,412	-
Classes	16,988	14,646
Cleaning	17,224	16,347
Co-Working Space Expenses	3,226	-
Depreciation	3,020	2,100
Electricity/Gas	2,338	1,332
Equipment Purchases	5,175	4,177
Fund Raising	12,183	4,575
Furniture & Fittings Purchases	-	181
Gardening	525	9
Gifts-Clients & Staff	701	595
Grants	1,498	11,220
Insurance	686	480
Legal Fees	221	2,086
Licences, Fees & Permits	8,141	327
Photocopying	961	1,032
Postage	378	591
Repairs & Maintenance	1,890	2,712
Rubbish Removal	1,212	554
Security	468	702
Staff & House Amenities	115	210
Staff Training	389	486
Stationery & Printing	1,509	764
Subscriptions	-	2,689
Sundry	1,370	2,007
Telephone, Fax and Alarm	2,652	3,004
Employee Expenses	253,687	202,614
Wages & Salaries	222,433	191,940
Superannuation	22,678	17,653
Annual Leave Expense	4,561	(6,464)
Long Service Leave Expense	(810)	(5,762)
Portable Long Service Benefits Scheme Levy	3,861	2,845
Work Cover	964	2,402
TOTAL EXPENDITURE	358,872	287,930
Net surplus/(deficit) attributable to the Association	(5,839)	12,279

RYE COMMUNITY HOUSE INC
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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NET SURPLUS/(DEFICIT) FOR THE YEAR	(5,839)	12,279
Total comprehensive income for the year	-	-
NET SURPLUS/(DEFICIT) ATTRIBUTABLE TO THE ASSOCIATION	(5,839)	12,279

RYE COMMUNITY HOUSE INC
ABN 68 360 898 929
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	2	243,636	179,048
Trade and other receivables	3	8,846	6,841
TOTAL CURRENT ASSETS		252,482	185,889
NON CURRENT ASSETS			
Property, plant and equipment	4	32,490	26,537
TOTAL NON-CURRENT ASSETS		32,490	26,537
TOTAL ASSETS		284,972	212,426
CURRENT LIABILITIES			
Trade and other creditors	5	15,572	15,220
Amounts received in advance	6	97,945	13,865
Provisions	7	8,936	11,895
TOTAL CURRENT LIABILITIES		122,453	40,980
NON-CURRENT LIABILITIES			
Provisions	7	-	3,088
TOTAL NON-CURRENT LIABILITIES		-	3,088
TOTAL LIABILITIES		122,453	44,068
NET ASSETS		162,519	168,358
EQUITY			
Accumulated funds		162,519	168,358
TOTAL EQUITY		162,519	168,358

The balance sheet is to be read in conjunction with the audit report and the notes to the financial statements.

RYE COMMUNITY HOUSE INC
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Accumulated funds \$	Total \$
Balance as at 1 January 2021	156,079	156,079
Surplus/ (Deficit) attributable to the Association	12,279	12,279
Balance as at 31 December 2021	<u>168,358</u>	<u>168,358</u>
Surplus/ (Deficit) attributable to the Association	(5,839)	(5,839)
Balance as at 31 December 2022	<u>162,519</u>	<u>162,519</u>

RYE COMMUNITY HOUSE INC
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants		211,275	135,918
Receipts from other sources		223,745	174,719
Payments to employees and suppliers		(359,547)	(303,964)
Interest received		88	196
Net cash generated from/(used in) operating activities	(i)	<u>75,561</u>	<u>6,869</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(10,973)	(7,266)
Proceeds on disposal of property, plant and equipment		-	-
Net cash (used in)/provided by investing activities		<u>(10,973)</u>	<u>(7,266)</u>
Net increase/(decrease) in cash held		64,588	(397)
Cash and cash equivalents at beginning of financial year		179,048	179,445
Cash and cash equivalents at end of financial year	(ii)	<u>243,636</u>	<u>179,048</u>

RYE COMMUNITY HOUSE INC
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NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
Note (i). Net cash generated from/(used in) operating activities		
Net surplus/(deficit) attributable to the Association	(5,839)	12,279
Non-cash flow item:		
Depreciation	3,020	2,100
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other debtors	(2,005)	(3,241)
- Increase/(decrease) in trade and other payable	2,352	(5,909)
- Increase/(decrease) in grant income in advance	84,080	13,865
- Increase/(decrease) in provisions	(6,047)	(12,225)
	75,561	6,869
	75,561	6,869
Note (ii). Cash and cash equivalents at end of financial year		
Cash at bank	210,715	146,126
Cash on hand	100	183
Term deposits	32,821	32,739
	243,636	179,048
	243,636	179,048

RYE COMMUNITY HOUSE INC
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Note 1. Statement of Significant Accounting Policies

This financial report includes the financial statements and notes of the Rye Community House Inc, an incorporated association, which is incorporated in Victoria under the Associations Incorporation Reform Act 2012.

Basis of preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012*. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals accounting basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following is a summary of the material accounting policies adopted by the company in the preparation of the special purpose financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. Cash and Cash Equivalents

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

b. Income Tax

The Association is exempt from paying income tax by virtue of Sections 50-50 & 50-52 of the *Income Tax Assessment Act 1997*. Accordingly, tax effect accounting has not been adopted.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost where applicable, less any accumulated impairment.

Depreciation

The depreciable amount of all property, plant and equipment was depreciated on a straight-line basis over their useful lives to the company commencing from the time the asset is held ready for use.

d. Employee Entitlements

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

Provision is made for the Association's liability for long service leave from commencement of employment, not from the 5 year employment period normally accrued as industry practice.

RYE COMMUNITY HOUSE INC
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Note 1. Statement of Significant Accounting Policies (*continued*)

e. 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.

f. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is an indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the income and expenditure statement.

g. Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is brought to account when received and to the extent that it relates to the subsequent period it is disclosed as a liability.

Grant Income

Grant income received, other than for specific purposes, is brought to account over the period to which the grant relates.

Deferred Income

Unspent grant income received in relation to specific projects and events is not brought to account as revenue in the current year but deferred as a liability in the financial statements until spent for the purpose received.

Capital Grants

Grant Income received relating to the purchase of capital items is shown as Unamortised Capital Grant and brought to account over the expected life of the asset in proportion to the related depreciation charge.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Donations

Donation income is recognised when the entity obtains control over the funds which is generally at the time of receipt.

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

h. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

RYE COMMUNITY HOUSE INC
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Note 1. Statement of Significant Accounting Policies (continued)

i. 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.

j. Related Party Transactions

The Committee Members act in an honorary capacity and are not paid for their services as Committee Members.

There were no transactions with related parties during the 2022 year.

RYE COMMUNITY HOUSE INC
ABN 68 360 898 929
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
Note 2. Cash and Cash Equivalents		
Cash at bank	210,715	146,126
Petty cash	100	183
Term deposit	32,821	32,739
	<u>243,636</u>	<u>179,048</u>
Note 3. Trade and Other Receivables		
Trade and other debtors	8,846	6,841
Provision for doubtful debts	-	-
	<u>8,846</u>	<u>6,841</u>
Note 4. Property, Plant and Equipment		
Office Furniture & Equipment		
At cost	39,659	28,686
Less accumulated depreciation	(7,169)	(2,149)
	<u>32,490</u>	<u>26,537</u>
Total property, plant and equipment	<u>32,490</u>	<u>26,537</u>
Note 5. Trade and Other Payables		
Trade creditors	17,747	16,773
Accrued expenses	(3,305)	(2,336)
Superannuation payable	1,162	969
Net GST payable	(32)	(186)
	<u>15,572</u>	<u>15,220</u>
Note 6. Amounts Received in Advance		
Grants in advance	97,945	13,865
	<u>97,945</u>	<u>13,865</u>
Note 7. Provisions		
Current		
Annual leave	8,936	4,376
Long service leave	-	7,519
	<u>8,936</u>	<u>11,895</u>
Non-current		
Long service leave	-	3,088
	<u>-</u>	<u>3,088</u>

RYE COMMUNITY HOUSE INC
ABN 68 360 898 929
STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 2 to 11:

- 1 Presents a true and fair view of the financial position of the Rye Community House Inc as at 31 December 2022 and its performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that the Rye Community House 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 and is signed for and on behalf of the Committee by:

President

Amber Earles

Secretary

Helen Murphy

Dated this

day of

RYE COMMUNITY HOUSE INC
ABN 68 360 898 929
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Rye Community House Inc. (the Association), which comprises the balance sheet as at 31 December 2022, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012* (Victoria), including:

- i. giving a true and fair view of the Association's financial position as at 31 December 2022 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards as per Note 1, the Australian Charities and Not for Profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (Victoria).

Basis for Opinion

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Rye Community House Inc to meet the requirements of the Australian Charities and Not for Profits Commission Act 2012 and the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management 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, management 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 management either intends to liquidate the Entity 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

My 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.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.

Conclude on the appropriateness of the responsible entities use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Name of Auditor: Frederik R. L. Eksteen
Address: Collins & Co Audit Pty Ltd
127 Paisley Street
Footscray VIC 3011

Date:

**RYE COMMUNITY HOUSE INC
ABN 68 360 898 929
CERTIFICATE BY MEMBERS OF THE COMMITTEE**

I, **Amber Earles** and I, **Helen Murphy** hereby certify that:

- (a) We are members of the committee of the Rye Community House Inc.
- (b) We attended the annual general meeting of the association held on 20 March 2023.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) This special purpose financial report was submitted to the members of the association at its annual general meeting.

President

Amber Earles

Secretary

Helen Murphy

Dated this

day of