



Migrant Resource Centre
(Southern Tasmania)
Incorporated
Financial Statements
30 June 2016

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

INCOME & EXPENDITURE STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	NOTES	2016 \$	2015 \$
INCOME			
Government Grants		2,355,650	2,873,644
CDC - Consumer Direct Care		1,276,099	402,836
Donations		5,880	7,429
Interest		38,111	31,718
Memberships		515	500
Self Funded & Other	11	485,124	403,136
Operating Income		4,161,379	3,719,263
EXPENDITURE			
Accounting Fees		15,372	1,200
Administration Fee		22,251	-
Advertising		185	1,855
Audit Fees		14,189	11,390
Bank Fees		470	(74)
Board & Governance Expenses		6,552	-
Cleaning		24,547	29,780
Computer Expenses		17,701	41,076
Consultancy		67,641	48,805
Depreciation		82,606	81,440
Donations, Flowers & Tributes		1,012	2,213
Electricity		22,763	28,567
Equipment		25,789	22,960
Group Activities	12	48,327	38,794
Health & Safety		481	1,199
Insurance		21,069	45,700
Interest Paid		1,036	-
Language Services		33,062	24,394
Legal Fees		4,372	8,269
Loss on Sale of Assets		-	2,131
Magazines & Periodicals		387	532
Materials & Resources		5,491	11,722
Meals		23,887	19,670
Memberships & Registrations		18,088	5,485
Motor Vehicle Expenses		49,237	52,773
Outsourced Aged Care Services	13	941,417	461,690
Photocopier Expenses		12,672	14,074
Postage		4,343	4,043
Printing & Stationery		20,079	18,980
Professional Development		20,001	26,076
Professional Services		6,929	7,473
Rates, Taxes & Rent	15	218,444	223,805
Repairs & Maintenance		6,707	11,893
Salaries & Associated Costs	14	2,368,100	2,436,822
Security Expenses		2,151	1,916
Storage Costs		480	1,920
Staff & Visitor Amenities		3,675	3,060
Sundry Expenses		-	622
Telephone Expenses		32,795	41,885
Travel & Accommodation		13,687	18,649
Total Expenditure		4,157,995	3,752,789
NET SURPLUS/(DEFICIT)		3,384	(33,526)

This financial statement should be read in conjunction with the notes to the accounts

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

BALANCE SHEET
AS AT 30 JUNE 2016

	NOTES	2016 \$	2015 \$
ASSETS			
<i>Current Assets</i>			
Cash	2	1,492,138	1,087,883
Debtors & Other Assets	3	116,944	31,134
Prepayments	3	80,941	66,110
Accrued Income	3	7,442	28,174
Total Current Assets		1,697,465	1,213,301
<i>Non-current Assets</i>			
Property	4	886,653	891,498
Furniture, Equipment & Motor Vehicles	5	277,092	249,395
Total Non-current Assets		1,163,745	1,140,893
TOTAL ASSETS		2,861,210	2,353,496
LIABILITIES			
<i>Current Liabilities</i>			
Creditors & Accruals	6	549,332	313,272
Provisions	7	191,650	223,965
Grants & Allocations	8	639,907	364,987
Total Current Liabilities		1,380,889	902,224
<i>Non-current Liabilities</i>			
Provisions	7	55,372	29,707
Total Non-current Liabilities		55,372	29,707
TOTAL LIABILITIES		1,436,261	931,931
NET ASSETS		1,424,949	1,421,565
EQUITY			
Retained Earnings	9	924,949	921,565
Asset Revaluation Reserve		500,000	500,000
TOTAL EQUITY		1,424,949	1,421,565

This financial statement should be read in conjunction with the notes to the accounts

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	NOTES	2016 \$	2015 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Operating Grants Received		2,569,263	3,121,167
Receipts from Customers		1,772,843	902,125
Interest Received		38,111	31,718
Interest Paid		(1,036)	-
Payments to Suppliers and Employees		(3,958,477)	(3,716,314)
Net Cash Inflow from Operating Activities	16	<u>420,704</u>	<u>338,696</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Payments for Property, Plant & Equipment		(150,469)	-
Proceeds from Sale of Property, Plant & Equipment		47,500	(2,131)
Net Cash Inflow (Outflow) from Investing Activities		<u>(102,969)</u>	<u>(2,131)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from Borrowings		-	400
Repayment of Borrowings		86,520	(8,645)
Net Cash Inflow (Outflow) from Financing Activities		<u>86,520</u>	<u>(8,245)</u>
Net (Decrease) Increase in Cash and Cash Equivalents		404,255	328,320
Cash at the Beginning of the Financial Year		1,087,883	759,563
Cash and Cash Equivalents at the End of Year	2	<u><u>1,492,138</u></u>	<u><u>1,087,883</u></u>

This financial statement should be read in conjunction with the notes to the accounts

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES

General System of Accounting underlying the Financial Statements

The financial report has been prepared using the historic cost convention. It has been prepared in accordance with the requirements of the Associations Incorporation Act Tasmania 1964 and the following Australian Accounting Standards:

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cash Flows

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031 Materiality

AASB 110 Events After Balance Sheet Date

AASB 1048 Interpretation of Standards

AASB 1054 Australian Additional Disclosures.

Accounting Policies which have been significant in the Preparation and Presentation of the Accounts

(a) Property, Plant & Equipment

Property is initially recognised at cost. In the 2015 financial year Molle Street has been revalued by Opteon Property Group; certified valuers, to reflect market value. Furniture, equipment and motor vehicles are included at cost.

(b) Depreciation

Depreciation is provided on furniture, equipment and freehold buildings. Furniture and equipment depreciation is calculated on a straight line basis so as to write off the net cost of each asset during its expected useful life. Freehold buildings are depreciated at 3% diminishing value, motor vehicles are depreciated on the diminishing value method over their estimated useful economic lives; furniture and equipment is depreciated over 4 to 12.5 years; new motor vehicles are depreciated at 15%, existing vehicles continue at 20%.

(c) Income Tax

The Association is an exempt body under section 23(e) of the Australian Income Tax Assessment Act 1936 (as amended) and in accordance with a ruling from the Deputy Commissioner of Taxation.

	2016 \$	2015 \$
2. CASH		
ANZ Bank	10,889	25,673
ANZ Investment Account	1,478,489	1,058,850
Cash on Hand	2,760	3,360
Total	1,492,138	1,087,883
3. RECEIVABLES AND OTHER DEBTORS		
a) Debtors & Other Assets		
Accounts Receivable	103,982	29,657
Salary Sacrifice Equipment	1,438	779
GST & PAYG Tax Receivable / (Payable)	11,524	698
	116,944	31,134
b) Prepayments		
Prepaid Expenses General	20,571	7,575
Prepaid IT Service	5,915	5,409
Prepaid Insurance	54,455	53,126
	80,941	66,110
c) Accrued Income		
Accrued income	7,442	28,174
Total	205,327	125,418

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
4. PROPERTY (See also Note 1 (a))		
Land & Buildings	900,000	900,000
Improvements at Cost	142,830	142,830
Provision for Depreciation	(156,177)	(151,332)
Total	<u>886,653</u>	<u>891,498</u>

5. FURNITURE, EQUIPMENT & MOTOR VEHICLES

Furniture and Equipment at Cost	460,320	400,511
Provision for Depreciation	(289,298)	(227,169)
Total Furniture & Equipment	<u>171,022</u>	<u>173,342</u>
Motor Vehicles at Cost	174,889	259,018
Provision for Depreciation	(68,819)	(182,965)
Total Motor Vehicles	<u>106,070</u>	<u>76,053</u>
Total	<u>277,092</u>	<u>249,395</u>

6. CREDITORS & BORROWINGS

Accruals	124,776	123,011
Bonds - Rental Properties	4,274	2,794
Car Loan	98,550	13,510
Creditors	277,634	152,721
Credit Cards	4,536	3,593
New Driver Excess	466	-
Accrued Wages & Salaries	39,096	18,341
Total	<u>549,332</u>	<u>313,272</u>

7. EMPLOYEE PROVISIONS

Provision for Long Service Leave - Current	58,008	65,056
Provision for Long Service Leave - Non-current	55,372	29,707
Provision for Annual Leave	133,642	158,909
Total	<u>247,022</u>	<u>253,672</u>

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

8. GRANT & ALLOCATIONS	2016 \$	2015 \$
Grant Reserves - Unallocated	-	13,582
ACOMMU	50,000	-
ADTAB - Database	55,588	-
CDC Client Funds	260,061	137,129
E26TEN	-	45,881
EOTHER	5,000	-
EQUITL	-	35,585
HHBHUT	-	38,512
PASTT	93,963	20,000
PBSCFW	51,873	-
Phoenix Centre Development	7,511	7,511
POTHER	20,000	10,000
SCONNE	1,921	-
SCOSKI	21,040	-
SCSLM2	13,616	-
SCSLMY	-	13,409
SINSPI	10,000	-
SMIAAA - Migration Advisor IAAAS	10,000	19,000
SMICRO	5,000	-
SMSIRS- Migrant Support	25,000	-
SORG	-	21,797
STAFE1	9,334	-
STRAN	-	2,581
Total	639,907	364,987

Grant & Allocations liability reflects grant income received in advance and grant funds received and unspent at 30 June 2016.

9. EQUITY

RETAINED EARNINGS

Opening Balance	921,565	955,091
Net Surplus/(Deficit)	3,384	(33,526)
Total	924,949	921,565
Asset Revaluation Reserve	500,000	500,000

10. CONTINGENT LIABILITIES

There are no known contingent liabilities at year end.

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
11. OTHER & SELF FUNDED INCOME		
Administration Fees	-	7,164
Building User Fee	3,292	2,976
Client Service Fee	-	13,520
Gain on Sale of Assets	2,489	-
HACC Multicultural Seniors Club	29,285	26,259
Other Income	309,413	201,156
Rental Income	140,645	152,061
Total	485,124	403,136
12. GROUP ACTIVITIES		
Activities	48,327	38,794
Total	48,327	38,794
13. OUTSOURCED AGED CARE SERVICES		
Services relate to the Consumer Direct Care program:		
Client Support Services	748,119	460,647
Client Support Consumables	193,298	1,043
Total	941,417	461,690
14. SALARIES & ASSOCIATED COSTS		
Wages & Salaries	2,077,633	2,140,224
Superannuation	196,931	199,620
Leave Provisions	(5,030)	(30,888)
Workers Compensation	22,549	36,017
Recruitment Expense	-	7,861
Redundancy & Associated Costs	76,017	83,988
Total	2,368,100	2,436,822
15. RENTS, RATES & TAXES		
Rates & Taxes	2,593	1,998
Rent	215,851	221,807
Total	218,444	223,805

MIGRANT RESOURCE CENTRE (SOUTHERN TASMANIA) INCORPORATED

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
16. CASH FLOW INFORMATION		
Reconciliation of cash flow from operations with surplus from operations:		
Surplus/(Deficit) for the year	3,384	(33,526)
Depreciation	82,606	81,440
(Gain)/Loss on Sale of Assets	(2,489)	2,131
Changes in Assets and Liabilities		
Decrease / (Increase) in Debtors & Other Assets	(74,983)	59,494
Decrease / (Increase) in Prepayments	(14,831)	11,044
Decrease / (Increase) in GST Recievable	(20,657)	(6,495)
Decrease / (Increase) in Accruals	20,732	30,666
(Decrease) / Increase in GST Payable	9,830	(369)
(Decrease) / Increase in Provisions	(6,650)	(30,929)
(Decrease) / Increase in Creditors & Accruals	148,842	(2,283)
(Decrease) / Increase in Grant Allocation	274,920	227,523
	<u>420,704</u>	<u>338,696</u>
17. AUDIT REMUNERATION		
Remuneration of the auditor, Wise Lord & Ferguson for:		
Auditing the financial statements and grant acquittals	12,700	12,200
Other services	-	600
Total	<u>12,700</u>	<u>12,800</u>

Independent auditor's report to the members of Migrant Resource Centre (Southern Tasmania) Incorporated

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report of Migrant Resource Centre (Southern Tasmania) (the Association), which comprises the statement of financial position as at 30 June 2016, the statement of income and expenditure, and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

The Board of Governance's responsibility for the financial report

The Association's Board of Governance are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Act (TAS)* and the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the members.

The Board of Governance's responsibility also includes such internal controls as the Board of Governance determines are necessary to enable the preparation 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 controls relevant to the preparation of the financial report that gives a true and fair view 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Governance, 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 have complied with the independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*.

Opinion

In our opinion the financial report of Migrant Resource Centre (Southern Tasmania) is in accordance with the *Associations Incorporation Act (TAS)* and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a. giving a true and fair view of the Association's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1, and complying with the *Associations Incorporation Act (TAS)* and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

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 Board of Governance's financial reporting responsibilities under the *Associations Incorporation Act (TAS)* and the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.



JOANNE DOYLE
Partner
Wise Lord & Ferguson

Date: 25 October 2016