

REYNARD STREET NEIGHBOURHOOD HOUSE INC

ABN 33 220 574 847

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847

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REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
COMMITTEE'S REPORT

Your committee members present the special purpose financial report on the entity for the financial year ended 30 June 2023.

Committee of Governance Members

The names of committee of governance members at the date of this report are:

Philippa Day	Chairperson/ Office Bearer	
Erin Dale	Deputy Chairperson	Resigned 10 August 2023
Katherine Thorn	Deputy Chairperson	Resigned 1 September 2022
Celia Torres-Villanueva	Secretary	Resigned 10 July 2023
Owen Martin	Treasurer	
Shannon Wiseman	General Member	
Matt Dravich	General Member	
Cheryl McLachlan	General Member	

Principle Activities

The principle activities of the entity during the financial year were:

Reynard Street Neighbourhood House (formerly known as Robinson Reserve Neighbourhood House) is an incorporated, not-for-profit organisation in South West Coburg, in the City of Merri-bek. We aim to promote community wellbeing, reduce social isolation, and support and encourage an inclusive, empowered and resilient local neighbourhood.

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 \$22,264 (2021: \$28,747 - deficit).

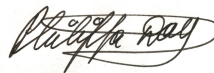
After Balance Date Events

No matter has evolved since 30 June 2023 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.

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

Chairperson



Philippa Day

Treasurer



Owen Martin

Dated this **10th** **day of** **October 2023**

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
INCOME		
Grant Funding Income		
Local Government Grants	56,112	56,458
State Government Grants - NHCP	131,205	125,434
State Government Grants - ACFE	58,245	49,967
Other Grants	19,771	7,291
Grant Income Carried Forward	29,783	10,757
	295,116	249,907
Operating Income		
Program/ Course Fees Income	22,198	13,523
Training Income	-	3,766
House Hire Income	32,821	12,030
Student Administration Fees	2,000	1,909
Playgroup Fees	20,482	8,672
	77,501	39,900
Other Income		
Interest Received	2,860	907
COVID-19 Government Assistance Payments: Business Support Fund	-	52,400
Donations	132	250
Other Income	13,469	2,546
	16,461	56,103
TOTAL INCOME	389,078	345,910

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
EXPENDITURE		
Administrative & Operating Expenses		
Advertising and Promotion	94	18
Audit and Bookkeeping Fees	1,600	1,550
Bank Fees and Charges	1,362	634
Board Meeting Expenses	275	75
Cleaning and Pest Control	6,136	5,338
Computer and IT Services	4,561	1,219
Conference Expenses	673	-
Depreciation	6,073	6,555
Fundraising & Donations Expenses	606	697
Furniture and Equipment	1,507	2,639
Insurance	1,309	597
Loss on Disposal of Assets	412	-
Membership Fees & Permits	4,692	4,142
Office Supplies	134	1,019
Photocopier and Printing	2,889	2,730
Rent	991	893
Repairs and maintenance	3,134	3,163
Telephone & Internet	4,628	2,088
Utilities - Electricity, Gas and Water	8,713	6,891
	<u>49,789</u>	<u>40,248</u>
Employee Related Expenses		
Salaries & Wages	251,800	228,608
Superannuation	33,845	25,848
Annual leave and Long Service Leave Expenses	3,836	8,352
Payroll Expenses	-	857
Portable Long Service Benefits Scheme Levies	4,456	4,270
Staff Gifts and Amenities	2,740	2,875
Training and Development	203	-
WorkCover	3,352	3,206
	<u>300,232</u>	<u>274,016</u>
Program & Grant Related Expenses		
Coffee Cart Expenses	3,093	1,061
Community Food Expenses	398	4,872
Other Grant Expenses	10,111	3,177
Playgroup Expenses	457	60
Program Consumables	2,256	3,407
Program Facilitator	44,660	46,699
Volunteer Costs	346	1,117
	<u>61,321</u>	<u>60,393</u>
TOTAL EXPENDITURE	<u>411,342</u>	<u>374,657</u>
NET SURPLUS/(DEFICIT) FOR THE YEAR	<u>(22,264)</u>	<u>(28,747)</u>

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
NET SURPLUS/(DEFICIT) FOR THE YEAR	(22,264)	(28,747)
Other Comprehensive Income for the Year	-	-
NET SURPLUS/(DEFICIT) ATTRIBUTABLE TO THE ASSOCIATION	<u>(22,264)</u>	<u>(28,747)</u>

The Income and Expenditure Statement is to be read in conjunction with the audit report and the notes to the financial statements.

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	2023	2022
	\$	\$
CURRENT ASSETS		
Cash at Bank	111,751	142,477
Cash on Hand	300	300
Cash at Term Deposits	212,606	210,170
Accounts Receivable	7,031	35,855
Prepayments	2,652	-
TOTAL CURRENT ASSETS	334,340	388,802
NON-CURRENT ASSETS		
Capital Works	168,605	139,177
Less Accumulated Depreciation	(74,494)	(73,067)
	<u>94,111</u>	<u>66,110</u>
Computer Equipment	10,283	10,283
Less Accumulated Depreciation	(10,283)	(10,283)
	<u>-</u>	<u>-</u>
Office Furniture Equipment	100,819	96,292
Less Accumulated Depreciation	(66,044)	(62,476)
	<u>34,775</u>	<u>33,816</u>
TOTAL NON-CURRENT ASSETS	128,886	99,926
TOTAL ASSETS	463,226	488,728
CURRENT LIABILITIES		
Accounts Payable	9,396	3,808
Sundry Payables	146	-
ATO GST & PAYGW Payable	10,034	20,972
Superannuation Payable	10,190	6,154
Fees Received in Advance	12,580	21,503
Grants Received in Advance	32,800	29,783
Provision for Annual Leave	6,618	3,284
TOTAL CURRENT LIABILITIES	81,764	85,504
NON-CURRENT LIABILITIES		
Provision for Long Service Leave	21,777	21,275
TOTAL NON-CURRENT LIABILITIES	21,777	21,275
TOTAL LIABILITIES	103,541	106,779
NET ASSETS	359,685	381,949
EQUITY		
Accumulated Funds	359,685	381,949
	359,685	381,949

The Statement of Financial Position is to be read in conjunction with the audit report
and the notes to the financial statements.

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Members Funds	Reserves	Total
	\$	\$	\$
Balance as at 1 July 2021	380,696	30,000	410,696
Surplus/ (Deficit) attributable to the Association	(28,747)	-	(28,747)
Balance as at 30 June 2022	351,949	30,000	381,949
Surplus/ (Deficit) attributable to the Association	(22,264)	-	(22,264)
Balance as at 30 June 2023	329,685	30,000	359,685

The Statement of Changes in Equity is to be read in conjunction with the audit report and the notes to the financial statements.

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grant funding		326,957	234,783
Receipts from customers		68,578	53,447
Receipts from other sources		13,601	55,196
Payments to suppliers and employees		(404,841)	(366,209)
Interest received		2,860	907
Net cash generated from/(used in) operating activities	(i)	<u>7,155</u>	<u>(21,876)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(35,987)	(19,286)
Proceeds with disposal of property, plant and equipment		542	-
Net cash (used in)/provided by investing activities		<u>(35,445)</u>	<u>(19,286)</u>
Net increase/(decrease) in cash held		(28,290)	(41,162)
Cash and cash equivalents at beginning of financial year		352,947	394,109
Cash and cash equivalents at end of financial year	(ii)	<u><u>324,657</u></u>	<u><u>352,947</u></u>

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
NOTES TO THE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
Note (i). Net cash generated from/(used in) operating activities		
Net surplus for the year	(22,264)	(28,747)
Non-cash flow item: depreciation	6,073	6,555
Non-cash flow item: (gain)/ loss on disposal of fixed assets	412	-
Non-cash flow item: provision for doubtful debt	-	-
(Increase)/decrease in trade and other receivables	28,824	(34,150)
(Increase)/decrease in prepayments	(2,652)	-
Increase/(decrease) in trade and other payables	(1,168)	(6,459)
Increase/(decrease) in grants received in advance	3,017	19,026
Increase/(decrease) in income received in advance	(8,923)	13,547
Increase/(decrease) in provisions	3,836	8,352
	<u>7,155</u>	<u>(21,876)</u>
Note (ii). Cash and cash equivalents at end of financial year		
Cash on hand	111,751	142,477
Cash at bank	300	300
	<u><u>324,657</u></u>	<u><u>352,947</u></u>

The Statement of Cash Flows is to be read in conjunction with the audit report and the notes to the financial statements.

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies

This financial report includes the financial statements and notes of Reynard Street Neighbourhood 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 and also a not-for-profit association

The financial report has been prepared on an accruals 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 general purpose financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same classes of assets are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

Depreciation

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the Committee commencing from the time the asset is held ready for use.

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

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 income statement.

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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

b. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

c. Revenue

Grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Grants received for specific programs are recognised as income only to the extent of work completed on those projects when the terms of the grants stipulate that any unexpended funds are to be returned to the sponsor if the program is not completed. In those circumstances the funds attributable to work still to be completed are carried forward as grants income deferred.

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

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers

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

d. Income Tax

By virtue of its aims as set out in the constitution, the Association qualifies as an organisation specifically exempt from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*.

e. 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

f. Employment Entitlements

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled. Contributions are made by the association to employee superannuation fund and are charged as expenses when incurred.

g. 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.

h. 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 2023 year

REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
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 8, satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and:

- 1 a. comply with Australian Accounting Standards applicable to the association; and
b. give a true and fair view of the financial position of Reynard Street Neighbourhood House Inc as at 30 June 2023 and its performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that Reynard Street Neighbourhood House Inc will be able to pay its debts as and when they fall due.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Chairperson



Philippa Day

Treasurer



Owen Martin

Dated:

10th of October 2023



REYNARD STREET NEIGHBOURHOOD HOUSE INC
A.B.N. 33 220 574 847
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Reynard Street Neighbourhood House Inc (the Association), which comprises the balance sheet as at 30 June 2023, 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*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2023 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*.

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 Reynard Street Neighbourhood 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.



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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 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.

Auditor: Frederik Ryk Ludolf Eksteen

ASIC Registration Number: 421448

Address: Collins & Co Audit Pty Ltd, 127 Paisley Street, FOOTSCRAY VIC 3011


Signature:

Date: 11 October 2023


REYNARD STREET NEIGHBOURHOOD HOUSE INC
ABN 33 220 574 847
CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, **Phillipa Day** and I, **Owen Martin** certify that:

- (a) We are members of the committee of governance of Reynard Street Neighbourhood House Inc.
- (b) We attended the annual general meeting of the association held on 13 October 2023.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) This annual statement was submitted to the members of the association at its annual general meeting.

Chairperson 

Philippa Day

Treasurer 

Owen Martin

Dated this 13th day of October 2023