

Launceston Chamber of Commerce Inc

Financial Statements

30 June 2016

Financial Statements

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Launceston Chamber of Commerce Inc

Executive Committee of the Board

For the Year Ended 30 June 2016

President:	Donna Bain	37 Marlborough Street Longford 7301
Vice Presidents:	John Kirwan	10 Trevallyn Road Trevallyn 7250
	Richard Ireland	23 Paringa Avenue Exeter 7275
Treasurer:	Honni Pitt	4 Kavala Street Legana 7277
Immediate Past President:	Janine Healey	25 Anderson Road Trevallyn 7250

Crowe Horwath Tasmania

Malcolm Matthews
Partner

Date:

Board Members

For the Year Ended 30 June 2016

Directors:	Steven Bishop	148 Elphin Road Newstead 7250
	Tim Lack	5 Waterview Street Legana 7277
	Bede Clifton	3 Glen Shian Lane, Relbia 7258
	Andrew Pitt	69 Abbott Street, Launceston 7250
	Tim Holder	54 Rowsphorn Road Riverside 7250
	Tim Gardner	15 Adelaide Street South Hobart 7004

Crowe Horwath Tasmania

Malcolm Matthews
Partner

Date:

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
REVENUE			
Membership		181,380	159,336
Business excellence awards		108,939	120,257
Seminars and functions		60,505	60,649
Other revenue		1,000	295
Boardroom hire and catering		3,272	3,664
Certificate of origin		129	1,050
Interest on bank accounts		3,104	4,568
Total Revenue		358,329	349,819
EXPENSES			
Accounting fees		8,519	3,970
Administrative services		5,572	328
Advertising, printing and stationery		8,388	3,377
Bank charges		34	60
Board costs		1,462	496
Business awards expense		72,071	69,887
Contract labour hire		18,938	-
Depreciation		2,723	2,886
Functions and seminars		43,846	44,400
Insurance		2,419	2,079
Licences and subscriptions		137	769
Light and power		2,772	2,497
Postage, telephone and internet		8,902	13,650
Rent		16,087	15,670
Scholarships		227	250
Sundry expenses		2,356	3,640
Superannuation		14,730	14,199
Travel and accomodation		1,265	1,408
Employee benefits expense		154,253	153,104
Total Expenses		364,701	332,670
NET SURPLUS/(DEFICIT)		(6,372)	17,149
Income tax expense		(1,144)	-
Total Comprehensive Income/(Loss) for the Year		(7,516)	17,149

Statement of Financial Position

As At 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
Current assets			
Cash and cash equivalents	2	245,529	268,918
Accounts receivable	3	162,125	151,606
Prepayments		7,509	4,511
Provision for income tax		-	1,144
Total current assets		415,163	426,179
Non-current assets			
Property, plant and equipment	4	7,412	10,135
Total non-current assets		7,412	10,135
TOTAL ASSETS		422,575	436,314
LIABILITIES			
Current liabilities			
Accounts payable	5	40,552	57,700
Income received in advance	6	301,438	288,094
Provision for annual leave		3,096	5,515
Total current liabilities		345,086	351,309
TOTAL LIABILITIES		345,086	351,309
NET ASSETS		77,489	85,005
EQUITY			
Retained earnings/(loss)	8	77,489	85,005
TOTAL EQUITY		77,489	85,005

Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2015		85,005	85,005
Total Comprehensive Income/(Loss) for the year		(7,516)	(7,516)
Balance at 30 June 2016		77,489	77,489

2015

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2014		67,856	67,856
Total Comprehensive Income/(Loss) for the year		17,149	17,149
Balance at 30 June 2015		85,005	85,005

Cash Flow Statement

For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	358,288	349,938
Payments to suppliers and employees	(384,781)	(333,393)
Interest received	3,104	4,568
Net cash provided by (used in) operating activities	<u>(23,389)</u>	<u>21,113</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(5,370)
Net cash used by investing activities	<u>-</u>	<u>(5,370)</u>
Net increase (decrease) in cash and cash equivalents held	(23,389)	15,743
Cash and cash equivalents at beginning of year	<u>268,918</u>	<u>253,175</u>
Cash and cash equivalents at end of financial year	2 <u><u>245,529</u></u>	<u><u>268,918</u></u>

Notes to the Financial Statements

30 June 2016

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.

New, revised or amending Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Associations Incorporation Reform Act 2012. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Revenue Recognition

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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.

(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.

Notes to the Financial Statements

30 June 2016

1 Significant Accounting Policies (continued)

(c) 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.

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives commencing from the time the asset is held ready for use.

(d) Employee Benefits

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 amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

(e) Income tax

The association prepares its income tax returns by reference to the principle of mutuality to the revenue and expense of the association. The principle of mutuality is a common law principle arising from the premise that a person cannot profit from themselves. Accordingly, receipts from members are deemed to be mutual income and not subject to income tax, and expenses in connection with mutual activities are also mutual and hence not deductible for taxation purposes. All other receipts and payments are classified for taxation purposes in accordance with taxation legislation.

Income tax expense shown in the income statement is based on the taxable income of the association. Temporary differences which arise due to the different values of assets and liabilities for income tax purposes compared to their carrying amount in the balance sheet have not been brought to account. Only non-member income of the association is assessable for tax, as member income is excluded under the principle of mutuality.

(f) Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

(g) 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 the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Notes to the Financial Statements

30 June 2016

2 Cash and cash equivalents

	2016	2015
	\$	\$
B&E general cheque account	123,425	150,191
B&E - City of Learning	30,178	28,146
TPT Fixed Fund - NRM Energy Efficiency	18,147	18,582
B & E term deposit accounts	73,715	71,955
Petty cash	64	44
	245,529	268,918

3 Accounts receivable

Trade receivables	162,125	151,606
	162,125	151,606

4 Property, Plant and Equipment

Plant and equipment at cost	50,540	54,165
Accumulated depreciation	(43,128)	(44,030)
	7,412	10,135

5 Accounts payable

GST Payable	24,574	24,425
PAYG Withholding	6,934	9,056
Trade payables	9,044	24,219
	40,552	57,700

Notes to the Financial Statements

30 June 2016

	2016 \$	2015 \$
6 Income received in advance		
Business excellence awards	76,141	58,632
Membership in advance	176,838	183,365
Funding received in advance	48,459	46,097
	301,438	288,094

7 Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Trade and other receivables	3	162,125	151,606
Cash and cash equivalents	2	245,529	268,918
		407,654	420,524
Total financial assets		407,654	420,524

Financial Liabilities

Accounts payable	5	40,552	57,700
Total financial liabilities		40,552	57,700

8 Accumulated Funds

Accumulated funds b/f	85,005	67,856
Profit for the year	(7,516)	17,149
Closing balance	77,489	85,005

Treasurer's Declaration

In the opinion of the treasurer, the financial report as set out on pages 3 to 10:

- (a) presents fairly the financial position of Launceston Chamber of Commerce Inc as at 30 June 2016 and its performance for the year ended on that date in accordance with the accounting policies outlined in Note 1 to the financial statements;
- (b) satisfy the requirements of the Associations Incorporation Act (Tasmania) 1964 to prepare accounts; and
- (c) at the date of this statement, there are reasonable grounds to believe that Launceston Chamber of Commerce Inc will be able to pay its debts as and when they fall due.

Treasurer

Dated