

Goldfields Employment and Learning Centre Inc Committee's Report

The committee members present their report on the association for the financial year ended 30 June 2018.

Committee Members

The names of each person who has been a committee member during the year and to the date of this report are:

John Williamson
Rod Nielsen
Sally Wren
Jeanne Hart
Hilary Hunt
Beverly Watkins
Frances Clarke

Principal Activities

The principal activities of the association during the financial year were the provision of educational and supporting service to persons in the Maryborough area.

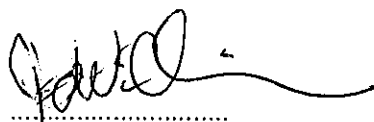
Significant Changes

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

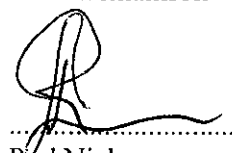
Operating Result

The loss of the association after providing for income tax amounted to \$288,751

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



.....
John Williamson



.....
Rod Nielsen

Dated 26 / 10 / 2018

The accompanying notes form part of these financial statements.

Goldfields Employment and Learning Centre Inc
Statement of Comprehensive Income
For the Year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue		9,466	429,785
Employee Benefits Expense		257,301	361,384
Depreciation and Amortisation		4,763	3,855
Other Expenses		36,153	7,398
Profit before Income Tax	2	<u>(288,751)</u>	<u>57,148</u>
Total Comprehensive Income		<u>(288,751)</u>	<u>57,148</u>

The accompanying notes form part of these financial statements.

Goldfields Employment and Learning Centre Inc
Statement of Financial Position
As at 30 June 2018

	Note	2018 \$	2017 \$
Current Assets			
Cash and Cash Equivalents		67,500	374,408
Trade and Other Receivables	5	610	7,610
Other Current Assets		4,838	2,363
Total Current Assets		<u>72,948</u>	<u>384,381</u>
Non-Current Assets			
Property, Plant and Equipment	6	343,964	344,783
Total Non-Current Assets		<u>343,964</u>	<u>344,783</u>
Total Assets		<u>416,912</u>	<u>729,164</u>
Current Liabilities			
Trade and Other Payables	7	13,470	10,373
Provisions	8	2,442	29,041
Total Current Liabilities		<u>15,912</u>	<u>39,414</u>
Total Liabilities		<u>15,913</u>	<u>39,414</u>
Net Assets		<u>400,999</u>	<u>689,750</u>
Equity			
Reserves	9	217,844	217,844
Retained Profits		183,155	471,906
Total Equity		<u>400,999</u>	<u>689,750</u>

The accompanying notes form part of these financial statements.

Goldfields Employment and Learning Centre Inc
Statement of Changes in Equity
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Retained Earnings		
Balance at 1 July 2017	471,906	414,758
Profit Attributable to Members	(288,751)	57,148
Balance at 30 June 2018	<u>183,155</u>	<u>471,906</u>
Asset Revaluation Reserve		
Balance at 1 July 2017	217,844	217,844
Balance at 30 June 2018	<u>400,999</u>	<u>689,750</u>

The accompanying notes form part of these financial statements.

Goldfields Employment and Learning Centre Inc
Statement of Cash Flows
For the Year ended 30 June 2018

	Notes	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Operations		(64,238)	426,815
Interest		543	1,022
Payments to suppliers and employees		(239,269)	(435,176)
Interest Paid		-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	11a	(302,964)	(7,339)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant & Equipment		-	-
Purchase of Property, Plant & Equipment		(3944)	(863)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		(3944)	(863)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from (Repayment of) Borrowings		-	-
NET CASH PROVIDED, BY (USED IN) FINANCING ACTIVITIES		-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(306,908)	(8,202)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		374,408	382,610
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR 12(b)	11b	67,500	374,408

The accompanying notes form part of these financial statements

Goldfields Employment & Learning Centre Inc
Notes to the Financial Statements
For the Year ended 30 June 2018

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (*) *. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

(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.

(c) 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.

(d) Employee Benefits

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, plus related on-costs.

(e) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or committees' valuation. All assets excluding freehold land, are depreciated over their useful lives to the association.

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

(f) Leases

Finance Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the association are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease.

The accompanying notes form part of these financial statements and should be read in conjunction with the attached Compilation Report.

Goldfields Employment & Learning Centre Inc
Notes to the Financial Statements
For the Year ended 30 June 2018

(g) Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied. Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest Revenue

Interest is recognised using the effective interest method.

Rendering of Services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

(h) 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). 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 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 statement of financial position.

The accompanying notes form part of these financial statements and should be read in conjunction with the attached Compilation Report.

Goldfields Employment & Learning Centre Inc
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
2. Profit		
Expenses		
Employee Benefits Expense	257,301	361,384
Depreciation and Amortisation Expenses	4,763	3,855
Advertising	141	872
Bank Charges	-	-
Insurance	2,408	2,438
Light & Power	10,864	10,217
Postage	333	449
Printing & Stationery	1,021	1,529
Rates & Taxes	4,827	5,135
Rent- Photocopier	2,520	2,023
Repairs & Maintenance	1,440	2,098
Telephone	4,899	6,073
Other Expenses	7,700	(23,436)
	<u>298,217</u>	<u>372,637</u>

3. Profit for the Year

Profit before income tax expense from continuing operations includes the following specific expenses:

Charging as Expense

Movements in Provisions		
Depreciation		
- Property Improvement	-	-
- Motor Vehicles	-	-
- Office Furniture and Equipment	4,763	3,855
	<u>4,763</u>	<u>3,855</u>
Net Expenses Resulting from Movement in Provisions	<u>4,763</u>	<u>3,855</u>
Bad & Doubtful Debts:-		
Bad debts written off	13,829	60
Movement in provision for doubtful debts	(11,073)	2,935
	<u>2,756</u>	<u>2,995</u>

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Goldfields Employment & Learning Centre Inc
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Remuneration of the Auditor:		
Audit remuneration - Audit Services	2,400	2,800
	<u>2,400</u>	<u>2,800</u>
4. Cash and Cash Equivalents		
Cheque Account	17,734	16,625
VW Account	35	35
Cash Management Account	46,513	215,272
Business Maxi Direct Account	2,641	142,136
Float	50	50
Petty Cash	526	290
	<u>67,500</u>	<u>374,408</u>
Reconciliation of Cash		
Cash and Cash Equivalents	67,500	374,408
	<u>67,500</u>	<u>374,408</u>
5. Trade and Other Receivables		
Current		
Sundry Debtors	-	310
Trade Debtors	3,316	21,080
Less Provision for Doubtful Debts	(2,706)	(13,780)
	<u>610</u>	<u>7,610</u>
Total Trade and Other Receivables	<u>610</u>	<u>7,610</u>
6. Property, Plant and Equipment		
Land and Buildings		
Buildings		
Building - Bourke Street	340,000	340,000
Building - Men's Shed	6,783	6,783
Less Accumulated Depreciation	(6,783)	(6,783)
	<u>340,000</u>	<u>340,000</u>
Total Land and Buildings	<u>340,000</u>	<u>340,000</u>

The accompanying notes form part of these financial statements and should be read in conjunction with the attached Compilation Report.

Goldfields Employment & Learning Centre Inc
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Plant and Equipment		
Photocopier	-	11,935
Less Accumulated Impairment	-	(11,935)
	<u>-</u>	<u>-</u>
Air Conditioning	44,010	44,010
Less Accumulated Impairment	(44,010)	(44,010)
	<u>-</u>	<u>-</u>
Plant & Equipment	75,889	71,945
Less Accumulated Impairment	(71,925)	(67,162)
	<u>3,964</u>	<u>4,783</u>
Total Plant and Equipment	<u>3,964</u>	<u>4,783</u>
Total Property, Plant and Equipment	<u>343,964</u>	<u>344,783</u>
7. Trade and Other Payables		
Current		
Accrued Funding Recoupment Payable	12,331	-
Trade Creditors	1,139	185
Provision for GST	-	10,188
	<u>13,470</u>	<u>10,373</u>
Total Trade and Other Payables	<u>13,470</u>	<u>10,373</u>
8. Provisions		
Current		
Provision for Annual Leave	-	7,606
Provision for Long Service Leave	-	15,333
PAYG Liability	1,774	3,330
Superannuation Liability	668	2,772
	<u>2,442</u>	<u>29,041</u>
9. Reserves		
Asset Revaluation Reserve	217,844	217,844
	<u>217,844</u>	<u>217,844</u>

The accompanying notes form part of these financial statements and should be read in conjunction with the attached Compilation Report.

Goldfields Employment & Learning Centre Inc
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
11: Cash Flow Information		
a) Reconciliation of results for the year to cashflows from operating activities		
Reconciliation of net income to net cash provided by operating activities		
Profit for the year	(288,751)	57,148
Cash flows excluded from profit attributable to operating activities:		
Non-cash flows in profit:		
Depreciation	4,763	3,855
Provision for Doubtful Debts	(11,073)	2,935
Profit on Sale of Assets	-	-
Changes in assets and liabilities:		
Decrease (Increase) in trade and term debtors	18,074	987
Decrease (Increase) in prepayments	(56)	(36)
Increase (Decrease) in trade and other payables	9,626	(1,779)
Increase (Decrease) in GST Provisions	(10,188)	(828)
Increase (Decrease) in provisions for employee benefits	(25,359)	(69,623)
Net Cash from Operating Activities	(302,964)	(7,339)
b) Reconciliation of cash		
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the Statement of Position as follows:		
Cash at Bank		
Cash on Hand	66,924	374,068
Short-Term Bank Deposits	576	340
	67,500	374,408

The accompanying notes form part of these financial statements and should be read in conjunction with the attached Compilation Report.

Goldfields Employment & Learning Centre Inc
Notes to the Financial Statements
For the Year ended 30 June 2018

12. Events Subsequent to Reporting Date

Since 30 June 2018, no events have occurred which would affect the financial position as at 30 June 2018 Or any other matters disclosed in these financial Statements

13. Contingent Liabilities and Contingent Assets

The committee is unaware of any contingent assets and liabilities not already disclosed elsewhere in this Report as at 30 June 2018.

14. Related Parties

There have been no related party transactions during the year ended 30 June 2018

15. Segment Reporting

The Association operates mainly in one business and geographical area, being in the business of providing educational and associated support services to persons in the Maryborough area.

16. Association Details

The principal place of business of the association is:

Goldfields Employment and Learning Centre Inc.
88 Burke Street
Maryborough VIC 3465

The accompanying notes form part of these financial statements and should be read in conjunction with the attached Compilation Report.

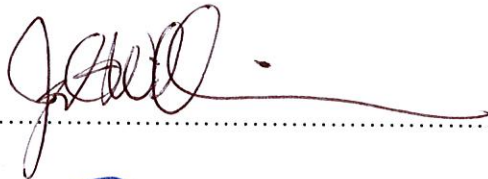
Goldfields Employment and Learning Centre Inc Committee's Report

In the opinion of the Committee, the financial report as set out on the preceding pages:

1. Presents a true and fair view of the financial position of Goldfields Employment & Learning Centre Inc. as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement there are reasonable grounds to believe that Goldfields Employment & Learning Centre 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.....



Committee Member.....



Dated this 29th day of October 2018

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF GOLDFIELDS EMPLOYMENT & LEARNING CENTRE INC.**

Opinion

We have audited the financial report of Goldfields Employment & Learning Centre Inc ("the Association") which comprises the Balance Sheet as at 30 June 2018, the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director's declaration.

In our opinion the financial report of the association *has been prepared in accordance with the Associations Incorporation Reform Act 2012* (Victoria) including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards as referred to in Note 1 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, given to the Committee of the Association, would be in the same terms if given to the members as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have determined the matter described below to be a key audit matter to be communicated in our report.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Significant Transaction occurring in the financial year

Government funding was found to have been overpaid from previous government funding provided to the organisation. This resulted in a one off recoupment of \$193,149.92 during the financial year. This significantly impacted the profitability of the association in the financial year.

Our Response

Our audit procedures confirmed this recoupment was offset against income in the current financial year.

Emphasis of Matter – 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 to assist Goldfields Employment & Learning Centre Inc to meet the requirements of the Associations Incorporation Reform Act (Victoria). As a result the report may not be suitable for another purpose.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee is responsible for the other information. The other information comprises the information included in the Association's financial report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Committee's responsibility for the financial report

The Committee of the Association is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Reform Act (Victoria). The Committee's responsibility also includes such internal control as the Committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the ability of the Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Association ceases operations, or have no realistic alternative but to do so.

Auditor's responsibility

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 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.

A further description of our responsibilities for the audit of the financial report is included in Appendix A of this auditor's report. This description, which is located directly after the audit report, forms part of our auditor's report.

Ryecrofts Pty Ltd



Terrence Vail CPA
Director
Registered Company Auditor – 305706
Dated: 30 October 2018

Appendix A: Auditor's Responsibilities for the Audit of the Financial Report

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

We 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 control that we identify during our audit.