

**THE NORTHERN CENTRE INC.
(FORMERLY RYDE FAMILY SUPPORT SERVICE INC.)**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017**

THE NORTHERN CENTRE INC.
ABN: 69 200 106 557

COMMITTEE'S REPORT

Your committee members submit the financial report of the The Northern Centre Inc. for the financial year ended 30 June 2017.

Committee Members

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

Christopher Hellmundt	President
Daniel Bofinger	Treasurer
Phillp Bickerstaff	Vice Chairperson
Margaret O'Hearn	Public Officer
Anne-Marie Maxwell	Committee Member
Serena Cheung	Committee Member
Barry Apelbaum	Committee Member

Principal Activities

The principal activities of the association during the financial year were to provide a range of early intervention and prevention services for families, children, young people and people at risk of homelessness.

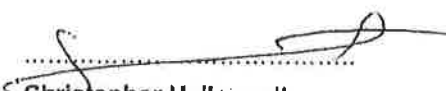
Significant Changes

The entity has renewed the contract for Early Intervention and Placement Prevention Program for 3 years, commencing 1 July 2017 and terminating 30 June 2020. The entity has also renewed the contract for Northern Sydney Early Intervention and Prevention Program for 3 years, commencing 1 July 2017 and terminating 30 June 2020.

Operating Result

The net surplus for the year amounted to \$47,100 (2016: \$15,120 deficit).

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


.....
Christopher Hellmundt
President


.....
Daniel Bofinger
Treasurer

Dated this 10 day of October 2017

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
INCOME			
Operating grant – NSW Department of Family and Community Services		518,908	519,201
Services Revenue - NSDEIPP		510,595	482,260
Grants – other		47,230	51,463
Interest		2,080	2,288
Other income		12,804	15,495
		1,091,617	1,070,707
EXPENDITURE			
Accounting		31,695	21,939
Administration expenses		93,497	134,872
Audit		4,900	4,700
Amortisation & depreciation expense		14,293	8,552
Client brokerage		45,424	41,378
Equipment		15	3,057
Information technology expenses		(145)	794
Insurance		8,538	10,488
Motor vehicle expenses		2,711	5,940
Postage, printing & stationery		4,085	18,461
Rental expense		13,800	13,110
Staff & client amenities		20,939	10,298
Subscription & memberships		3,097	2,410
Superannuation		68,370	64,348
Telephone		18,340	10,853
Wages		714,957	734,627
Profit/(loss) before income tax		47,100	(15,120)
Income tax expense		-	-
Profits/(losses) after income tax		47,100	(15,120)
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR		146,291	161,410
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		193,391	146,291

The accompanying notes form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents		301,129	313,813
Trade and other receivables	5	15,290	320
TOTAL CURRENT ASSETS		316,419	314,133
NON-CURRENT ASSETS			
Property, plant and equipment	6	53,317	40,834
TOTAL NON-CURRENT ASSETS		53,317	40,834
TOTAL ASSETS		369,736	354,967
CURRENT LIABILITIES			
Trade and other payables	7	85,474	102,451
Grants received in advance		38,598	33,644
Provisions		45,574	53,353
TOTAL CURRENT LIABILITIES		169,646	189,448
NON-CURRENT LIABILITIES			
Provisions		6,700	19,228
TOTAL NON-CURRENT LIABILITIES		6,700	19,228
TOTAL LIABILITIES		176,346	208,676
NET ASSETS		193,391	146,291
MEMBERS' FUNDS			
Retained profits		193,391	146,291
TOTAL MEMBERS' FUNDS		193,391	146,291

The accompanying notes form part of these financial statements.

THE NORTHERN CENTRE INC.
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the Australian Charities and Not for Profits Commission Act 2012, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The committee has determined that the association is not a reporting entity.

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

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a. Income Tax

The Northern Centre Inc., being a benevolent association, is exempt from income tax under the Division 50 of the Income Tax Assessment Act 1997.

b. Fixed Assets

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

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

c. Leases

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Operating Lease Commitments – Suite 6, 3 Anthony Road, West Ryde NSW 2114.

The Northern Centre Inc. has renewed the lease agreement for five years, commencing on September 2017 and terminating in August 2022. The annual rental of \$9,368 plus GST is payable monthly in advance.

d. Investments

Investments are brought to account at cost or at valuation. The carrying amount of investments is reviewed annually by the Committee to ensure it is not in excess of the recoverable amount of the investments.

Interest is brought to account when earned.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e. Goods and Services Tax

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 Balance Sheet are shown inclusive of GST.

f. Property, Plant & Equipment

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

g. Employee Benefits

Provision is made for the association's liability for annual leave and long service leave arising from services rendered by the employees to the reporting date. Provision for long service leave is accrued only in respect of those employees who have completed five years' service. This is a provision only and actual liability will depend on legal entitlements in each case. Liabilities have not been discounted to their present values.

Contributions are made by the association to employee superannuation funds and are charged as expenses when incurred. The association has no legal obligation to provide superannuation benefits to employees on retirement.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

NOTE 2: CONTINGENT LIABILITIES

There are no contingent liabilities known to the Committee as at 30 June 2017 (2016: nil).

NOTE 3: MEMBER'S LIABILITY

The Northern Centre Inc. is registered as an Incorporated Association and accordingly the members of the association have no liability to contribute towards the payment of debts and liabilities of the association or the costs, charges and expenses of the winding up of the association.

The association has taken out Public Liability Insurance cover for the sum of \$10,000,000.

NOTE 4: AUDIT FEES

	2017	2016
	\$	\$
Audit fees	4,900	4,700
	4,900	4,700

NOTE 5: TRADE AND OTHER RECEIVABLES

	2017	2016
	\$	\$
Trade receivables	5,390	290
Other debtors	9,900	30
GST receivable	-	-
	15,290	320

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

	2017	2016
	\$	\$
Plant & equipment	45,440	38,225
Less accumulated depreciation	(26,190)	(16,914)
	19,250	21,311
Motor vehicles	18,392	18,392
Less accumulated depreciation	(4,598)	-
	13,794	18,392
Leasehold improvements	20,905	1,344
Less accumulated depreciation	(632)	(213)
	20,273	1,131
Total property, plant & equipment	53,317	40,834

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

NOTE 7: TRADE AND OTHER PAYABLES	2017	2016
	\$	\$
Sundry creditors		-
Other creditors	85,474	102,451
	85,474	102,451

NOTE 8: ECONOMIC DEPENDENCY

The services that are provided by the entity are dependent upon the grants received from the NSW Department of Family & Community Services and Mission Australia. The grants received in the current financial year totalled \$1,041,568. The entity has renewed the contract for Early Intervention and Placement Prevention Program for 3 years, commencing 1 July 2017 and terminating 30 June 2020. The entity has also renewed the contract for Northern Sydney Early Intervention and Prevention Program for 3 years, commencing 1 July 2017 and terminating 30 June 2020.

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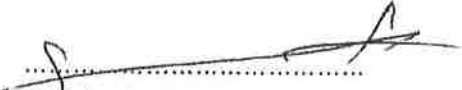
DECLARATION BY MEMBERS OF THE COMMITTEE

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:

1. the financial statements and notes as set out on pages 3 to 8 present a true and fair view of the financial position of The Northern Centre Inc. as at 30 June 2017 and its performance for the year ended on that date.
2. there are reasonable grounds to believe The Northern Centre Inc. will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:


.....
Christopher Hellmundt
President


.....
Daniel Bofinger
Treasurer

Dated this 10 day of October 2017

INDEPENDENT AUDITOR'S REPORT To the Members of The Northern Centre Inc.

Opinion

We have audited the financial report of The Northern Centre Inc., which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the financial report of The Northern Centre Inc. has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 The Northern Centre Inc. 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Northern Centre Inc. to meet the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

The members of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, members are responsible for assessing The Northern Centre Inc.'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate The Northern Centre Inc. or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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 the 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in blue ink, appearing to read 'C J Hume', is written over a light blue circular stamp.

C J Hume
Director

RSM Australia

Sydney, NSW
Dated: 10 October 2017