

Burrin Dalai Aboriginal Corporation Inc

Financial Statements

For the Year Ended 30 June 2018

Burrin Dalai Aboriginal Corporation Inc

Contents

For the Year Ended 30 June 2018

	Page
Financial Statements	
Committee's Report	1
Auditors Independence Declaration under Section 307C of the Corporations Act 2001	2
Trading Statements	2
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Independent Audit Report	18

Committee's Report

30 June 2018

The committee members submit the financial report of the Association for the financial year ended 30 June 2018. The committee members regard themselves as the "responsible person's" under the requirements of ACNC 2012.

1. General information

Committee members

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

Chairperson	Elizabeth Stirling
Deputy Chairperson	Michael Brogan
Secretary	Vacant *
Treasurer	Richard Campbell
Member	Harry Cuttmore
Member	Fiona Murray
Member	Tracey Anderson
Member	John Clark

* Roslyn O'Brien resigned 8th February 2018

Principal activities

The principal activities of the Association during the financial year were:

- to assist Foster Carers and Foster Children in the Community

Significant changes

No significant change in the nature of these activities occurred during the year.

2. Operating results and review of operations for the year

Operating result

The profit of the Association for the financial year after providing for income tax amounted to \$ 309,139 (2017: \$ 296,031).

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

President:

Treasurer:

Dated September 18, 2018

Burrun Dalai Aboriginal Corporation Inc

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 and The Australian Charities and Not for Profit Commission Act 2012 Section 60-40 To the Directors of Burrun Dalai Aboriginal Corporation Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* or the Australian Charities and Not for Profit Commissions Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Dan Wade
Partner
Wrights Chartered Accountants

18 September 2018

Kempsey NSW

Burrin Dalai Aboriginal Corporation Inc
For the Year Ended 30 June 2018

Profit and Loss Account Consolidated

	2018	2017
	\$	\$
Income		
Workers Compensation Claim	26,500	19,032
Membership Fees	28	-
Interest income	48,608	39,596
FACS Grant Funding	15,716,530	13,973,455
FACS Genealogy Funding	102,350	92,308
Reimbursements	10,673	2,844
Client Related Funding Kids	31,500	48,900
Other income	113,645	65,560
Total income	16,049,834	14,241,695
Less: Expenses		
Accounting fees	(840)	-
Administration expense	-	147
Advertising	80,659	10,365
ACTG case assistance program	225,360	153,340
ACTG neuro psych program	151,773	153,077
Auditors remuneration	6,980	14,580
Bad debts	10,123	-
Bank charges	6,626	4,892
Behavioural management service	54,600	65,600
Cleaning	44,177	26,501
Consulting and professional fees	58,246	18,804
Legal Fees	444	4,254
Depreciation	266,803	312,624
D&A counselling services	60,622	56,842
Donations	9,378	5,810
Electricity	66,099	49,211
Genealogy services	147,647	87,425
General counselling services	33,048	35,230
Healing Pathways Psych Service	50,000	-
Insurance	43,922	36,990
IT Expenses	240,347	151,178
Leave Movement	(3,145)	105,496
Literacy and multilit services	66,313	71,612
Motor vehicle expenses	177,373	158,273
Non-capitalised equipment	53,079	44,333
NAIDOC	30,365	40,485
Other employee costs	42,215	26,415
Office equipment & supplies	156,493	99,071
Program costs	165,875	210,982
Postage	6,848	5,149
Printing and stationery	31,934	24,555
QAF SI&CD Program	16,261	-
Rates and taxes	2,411	1,560
Resources	258	12,231
Respite house utilities	23,476	9,742

Burrin Dalai Aboriginal Corporation Inc
For the Year Ended 30 June 2018

Profit and Loss Account Consolidated

	2018	2017
	\$	\$
Reportable Conduct Investigate	196,053	108,248
Rent	361,911	326,526
Repairs and maintenance	45,257	23,813
Restoration	28,732	-
Salaries	5,376,817	4,608,140
Security costs	28,740	19,414
Speech pathology services	134,481	230,773
Staff amenities	85,039	83,187
Subscriptions	35,751	15,006
Sundry expenses	149,360	121,835
Unexpended grant funds	61,968	-
Superannuation contributions	465,923	409,391
Telephone and fax	81,485	81,628
Travel - domestic	280,030	223,214
Workers compensation insurance	225,757	192,448
FCA, EFS, RCAR and carer's allowances	5,816,001	5,480,469
Other operating expenses	6,281	2,390
Total Expenses	15,705,356	13,923,256
	344,478	318,439
Other items:		
Loss on disposal of assets	(35,339)	(22,408)
Profit before income tax	309,139	296,031

Burrin Dalai Aboriginal Corporation Inc
For the Year Ended 30 June 2018

Detailed trading account

	2018	2017
	\$	\$
Intensive Family Based Services (IFBS-KTS Development Project)		
Income		
FACS Grant Funding	904,532	883,763
Other income	1	(2)
Staff Wages Recouped	-	309
Other income UD8	3,117	-
	<u>907,650</u>	<u>884,070</u>
Less: Direct expenses		
Bank Charges	120	120
Wages	411,571	416,587
Programme Costs	150,390	200,177
Electricity	61,968	-
Provision for Leave	12,242	2,170
BD Corp Management Fee	271,359	265,129
	<u>907,650</u>	<u>884,183</u>
Net profit / (loss)	<u>-</u>	<u>(113)</u>

Burrin Dalai Aboriginal Corporation Inc
For the Year Ended 30 June 2018

Detailed trading account

	2018	2017
	\$	\$
Kempsey Youth Service		
Income		
FACS Funding	102,824	99,552
Interest	-	5
Other Income	-	14
	<hr/>	<hr/>
	102,824	99,571
Less: Direct expenses		
Program Costs	15,485	10,805
BD Corp Management Fee	30,847	29,866
Superannuation	4,879	4,985
Wages	53,177	53,776
Provision for Leave	(1,791)	2,673
	<hr/>	<hr/>
	102,597	102,105
Net profit / (loss)	<hr/> <hr/>	<hr/> <hr/>
	227	(2,534)

Burrin Dalai Aboriginal Corporation Inc
For the Year Ended 30 June 2018

Detailed trading account

	2018	2017
	\$	\$
OOHC General		
Sales revenue		
FACS Funding OOHC	14,446,107	12,970,698
FACS Exception Payments	136,317	17,692
Other Income	18,698	21,563
Client Related Funding Kids	31,500	48,900
Paid Parental Leave	15,358	-
Interest Received	-	4
	<u>14,647,980</u>	<u>13,058,857</u>
Less: Direct expenses		
FCA Foster Carers Allowance	4,712,006	4,609,333
KID\$ Extra Financial Support	470,384	328,059
KID\$ Respite Care Costs	303,516	284,058
Other Care Payments	330,095	259,019
BD Corp Management Fees	4,374,727	3,896,517
Bank Charges	5,989	4,561
Genograms & Genealogy Services	50,250	-
Restoration	28,732	-
Superannuation expense	332,745	289,814
Wages	4,047,047	3,438,633
Employee Entitlement Movement	5,408	42,257
	<u>14,660,899</u>	<u>13,152,251</u>
Net profit / (loss)	<u>(12,919)</u>	<u>(93,394)</u>

Burrin Dalai Aboriginal Corporation Inc

Statement of Financial Position

30 June 2018

	Note	2018	2017
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	2,801,103	2,599,368
Trade and other receivables	4	199,380	87,109
Other assets	6	138,503	104,873
TOTAL CURRENT ASSETS		<u>3,138,986</u>	<u>2,791,350</u>
NON-CURRENT ASSETS			
Trade and other receivables	4	23,682	43,093
Property, plant and equipment	5	1,125,560	1,191,203
TOTAL NON-CURRENT ASSETS		<u>1,149,242</u>	<u>1,234,296</u>
TOTAL ASSETS		<u>4,288,228</u>	<u>4,025,646</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	360,386	439,405
Current tax liabilities	9	176,140	158,186
Employee benefits	8	396,358	406,890
TOTAL CURRENT LIABILITIES		<u>932,884</u>	<u>1,004,481</u>
NON-CURRENT LIABILITIES			
Employee benefits	8	137,697	112,657
TOTAL NON-CURRENT LIABILITIES		<u>137,697</u>	<u>112,657</u>
TOTAL LIABILITIES		<u>1,070,581</u>	<u>1,117,138</u>
NET ASSETS		<u>3,217,647</u>	<u>2,908,508</u>
EQUITY			
Retained earnings		<u>3,217,647</u>	<u>2,908,508</u>
TOTAL EQUITY		<u>3,217,647</u>	<u>2,908,508</u>

The accompanying notes form part of these financial statements.

Burrin Dalai Aboriginal Corporation Inc

Statement of Changes in Equity
For the Year Ended 30 June 2018

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	2,908,508	2,908,508
Profit attributable to members	309,139	309,139
Balance at 30 June 2018	3,217,647	3,217,647

2017

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2016	2,612,477	2,612,477
Profit attributable to members	296,031	296,031
Balance at 30 June 2017	2,908,508	2,908,508

The accompanying notes form part of these financial statements.

Burrin Dalai Aboriginal Corporation Inc

Statement of Cash Flows
For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Revenue Received	15,888,005	14,116,959
Expenses Paid	<u>(15,485,110)</u>	<u>(13,456,436)</u>
Net cash provided by/(used in) operating activities	<u>402,895</u>	<u>660,523</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Non Current Assets	<u>(201,160)</u>	<u>(386,866)</u>
Net cash used by investing activities	<u>(201,160)</u>	<u>(386,866)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	201,735	273,657
Cash and cash equivalents at beginning of year	<u>2,599,368</u>	<u>2,325,711</u>
Cash and cash equivalents at end of financial year	3 <u>2,801,103</u>	<u>2,599,368</u>

The accompanying notes form part of these financial statements.

Burrun Dalai Aboriginal Corporation Inc

Notes to the Financial Statements

For the Year Ended 30 June 2018

The financial statements cover Burrun Dalai Aboriginal Corporation Inc as an individual entity. Burrun Dalai Aboriginal Corporation Inc is a not-for-profit Association incorporated in New South Wales under the *Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010* ('the Act').

The functional and presentation currency of Burrun Dalai Aboriginal Corporation Inc is Australian dollars.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards, Australian Accounting Interpretations and the *Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010*. Burrun Dalai Aboriginal Corporation Inc has taken advantage of the relief in Class Order 11/01 *Financial Reporting Requirements* and has prepared financial statements with reduced disclosures.

(b) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

(c) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(d) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(e) 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 Association 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).

Grant revenue

Grant revenue is recognised in the profit and loss account when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

Interest revenue

Interest is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(f) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) 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.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) 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 that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled .

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(j) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The committee members have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Association.

2 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The provision is based on the best information at the reporting date.

3 Cash and cash equivalents

	2018	2017
	\$	\$
Cash at bank and in hand	2,258,749	2,133,385
Short-term deposits	542,354	465,983
Total cash and cash equivalents	2,801,103	2,599,368

Burrund Dalai Aboriginal Corporation Inc

Notes to the Financial Statements
For the Year Ended 30 June 2018

4 Trade and other receivables

	2018	2017
	\$	\$
CURRENT		
Trade receivables	173,895	34,245
Provision for impairment	(10,525)	(500)
	<u>163,370</u>	<u>33,745</u>
Other receivables	<u>36,010</u>	<u>53,364</u>
Total current trade and other receivables	<u>199,380</u>	<u>87,109</u>
	2018	2017
	\$	\$
NON-CURRENT		
Deposits paid	<u>23,682</u>	<u>43,093</u>
Total non-current trade and other receivables	<u>23,682</u>	<u>43,093</u>

Burrn Dalai Aboriginal Corporation Inc

Notes to the Financial Statements

For the Year Ended 30 June 2018

5 Property, plant and equipment

	2018	2017
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	95,000	95,000
Total Land	<u>95,000</u>	<u>95,000</u>
Buildings		
At cost	288,081	288,081
Accumulated depreciation	(21,447)	(11,764)
Total buildings	<u>266,634</u>	<u>276,317</u>
Total land and buildings	<u>361,634</u>	<u>371,317</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	423,550	423,550
Accumulated depreciation	(380,383)	(332,634)
Total plant and equipment	<u>43,167</u>	<u>90,916</u>
Furniture, fixtures and fittings		
At cost	164,594	163,194
Accumulated depreciation	(140,830)	(134,063)
Total furniture, fixtures and fittings	<u>23,764</u>	<u>29,131</u>
Motor vehicles		
At cost	1,569,741	1,326,015
Accumulated depreciation	(894,679)	(662,125)
Total motor vehicles	<u>675,062</u>	<u>663,890</u>
Leasehold Improvements		
At cost	192,040	206,056
Accumulated amortisation	(170,107)	(170,107)
Total leasehold improvements	<u>21,933</u>	<u>35,949</u>
Total plant and equipment	<u>763,926</u>	<u>819,886</u>
Total property, plant and equipment	<u><u>1,125,560</u></u>	<u><u>1,191,203</u></u>

6 Other non-financial assets

	2018	2017
	\$	\$
CURRENT		
Prepayments	138,503	104,873
Total other non-financial assets	<u><u>138,503</u></u>	<u><u>104,873</u></u>

Notes to the Financial Statements
For the Year Ended 30 June 2018

7 Trade and other payables

	Note	2018 \$	2017 \$
Current			
Trade payables		7,394	102,295
Amounts held in trust		61,968	73,302
Accrued expenses		154,492	139,790
Superannuation payable		124,515	104,261
Other payables		12,017	19,757
		<u>360,386</u>	<u>439,405</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Employee Benefits

	2018 \$	2017 \$
Current		
Long service leave	39,435	50,329
Annual leave and accrued hours	356,923	356,561
Total current employee benefits	<u>396,358</u>	<u>406,890</u>
	2018 \$	2017 \$
Non-current		
Long service leave	137,697	112,657
Total non-current employee benefits	<u>137,697</u>	<u>112,657</u>

9 Tax

	2018 \$	2017 \$
PAYG payable	109,841	97,474
GST payable	66,299	60,712
Current tax liabilities	<u>176,140</u>	<u>158,186</u>

10 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 30 June 2018 (30 June 2017:None).

Burrun Dalai Aboriginal Corporation Inc

Notes to the Financial Statements
For the Year Ended 30 June 2018

11 Statutory Information

The registered office of and principal place of business of the association is:

Burrun Dalai Aboriginal Corporation Inc
23 Clyde Street
Kempsey NSW 2440

12 Funding

(a) Financial Position

(i)

The association is primarily funded via government grants and has no major income streams from other sources. If the grant funding was to cease the entity would not be able to sustain its current level of operations. There is no reason at this time to feel that the funding will not continue.

Burrin Dalai Aboriginal Corporation Inc

Independent Audit Report to the members of Burrin Dalai Aboriginal Corporation Inc

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Burrin Dalai Aboriginal Corporation Inc (the Association), which comprises the statement of financial position as at 30 June 2018, the , 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 statement by members of the committee .

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2018 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010.

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 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.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010, and for such internal control as management determines is necessary to enable the preparation of the financial report 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 related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association 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.

Burrin Dalai Aboriginal Corporation Inc

Independent Audit Report to the members of Burrin Dalai Aboriginal Corporation Inc

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.

Dan Wade
Partner
Wrights Chartered Accountants

Kempsey

18 September 2018