

**Frankston Business Chamber
Incorporated**

ABN 73 324 996 442

Financial Statements
For the year ended 31 December 2015

Frankston Business Chamber Incorporated
ABN 73 324 996 442

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Frankston Business Chamber Incorporated
ABN 73 324 996 442
Committee's Report
For the year ended 31 December 2015

Your committee members submit the financial accounts of the Frankston Business Chamber Incorporated for the financial year ended 31 December 2015.

Committee Members

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

Peter Patterson (President)
Taso Tounis (Treasurer)
Dereen Wallace
Kath Ferry
Christine Richards (VP)
Tim Jerram (VP)

Principal Activities

The principal activities of the association during the financial year were: Business Development.

Significant Changes

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

Operating Result

The deficit from ordinary activities after providing for income tax amounted to

Year ended 31 December 2015	Year ended 31 December 2014
\$	\$
(7,666)	6,002

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Committee's Report
For the year ended 31 December 2015

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

Peter Patterson (President)

Taso Tounis (Treasurer)

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Income and Expenditure Statement
For the year ended 31 December 2015

	2015	2014
	\$	\$
Income		
Interest received	766	924
Loss on disposal of prop, plant & equip	(118)	-
Member subscriptions - Current year	57,540	57,337
Donations received	-	125
Major sponsorship	38,000	39,000
Women connect	21,292	22,554
Network catering income	3,270	650
Other Sponsorship	-	2,300
Trade Expo	-	23,770
Trivia Night	6,166	6,217
Fund Raising	13,405	23,218
Award sponsorship	-	5,100
Sundry income	967	-
Total income	141,289	181,195
Expenses		
Advertising and promotion	4,460	580
Awards	496	6,445
Audit fees	-	770
Bank Fees And Charges	1,568	3,132
Bookkeeping	1,824	1,047
Business breakfast	-	8,157
Depreciation	1,530	129
Frankston Tourism Membership	75	150
Fundraising costs	17,541	8,463
Holiday pay	985	(12)
Insurance	2,260	2,171
Long service leave	1,221	8,658
Office Supplies	336	276
Post office box	115	107
Postage	1,315	869
Printing & stationery	-	165

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated
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Income and Expenditure Statement
For the year ended 31 December 2015

	2015 \$	2014 \$
Rent on land & buildings	6,600	4,950
Software	150	166
Staff training	447	1,844
Superannuation	7,125	6,582
Telephone	1,141	1,079
Trade Expo Expenses	-	19,821
Travel allowances	1,300	1,100
Wages	75,000	72,439
Website	258	3,265
Women connect expenses	18,891	20,562
Sundry Expenses	4,315	2,278
Total expenses	148,955	175,193
Profit (loss) from ordinary activities before income tax	(7,666)	6,002
Income tax revenue relating to ordinary activities	-	-
Net profit (loss) attributable to the association	(7,666)	6,002
Total changes in equity of the association	(7,666)	6,002
Opening retained profits	3,479	(2,523)
Net profit (loss) attributable to the association	(7,666)	6,002
Closing retained profits	(4,187)	3,479

Frankston Business Chamber Incorporated
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Balance Sheet as at 31 December 2015

	Note	2015 \$	2014 \$
Assets			
Current Assets			
Cash assets	3	62,751	81,302
Receivables	4	420	2,041
Total Current Assets		63,171	83,342
Non-Current Assets			
Property, plant and equipment	5	2,384	130
Total Non-Current Assets		2,384	130
Total Assets		65,554	83,472
Liabilities			
Current Liabilities			
Payables	6	1,955	5,586
Financial liabilities	7	-	1
Current tax liabilities		3,358	2,242
Provisions	8	15,861	13,654
Other	9	48,567	58,510
Total Current Liabilities		69,741	79,993
Total Liabilities		69,741	79,993
Net Assets (Liabilities)		(4,187)	3,479
Members' Funds			
Retained profits / (Accumulated losses)		(4,187)	3,479
Total Members' Funds (Deficiency)		(4,187)	3,479

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Notes to the Financial Statements**For the year ended 31 December 2015**

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. 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 historical 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) Plant and Equipment (PE)

Office equipment is carried at cost less, where applicable, any accumulated depreciation.

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

(b) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(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 reasonably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Frankston Business Chamber Incorporated
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Notes to the Financial Statements
For the year ended 31 December 2015

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

Subscription revenue is recognised in the financial year to which it relates, which may not necessarily be year in which it is received.

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

(f) Goods and Services Tax (GST)

The Frankston Business Chamber is not currently registered for GST. Revenues, expenses and assets are recognised inclusive of any amount of GST paid. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Frankston Business Chamber Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2015

2015

2014

Note 2: Revenue

Operating Activities:

Interest revenue	766	924
Other operating revenue:		
Member subscriptions - Current year	57,540	57,337
Donations received	-	125
Major sponsorship	38,000	39,000
Women connect	21,292	22,554
Network catering income	3,270	650
Other Sponsorship	-	2,300
Trade Expo	-	23,770
Trivia Night	6,166	6,217
Fund Raising	13,405	23,218
Award sponsorship	-	5,100
Sundry income	967	-
	141,407	181,195
	141,407	181,195

Note 3: Cash assets

Bank accounts:

Cash At Bank	37,254	56,242
Term Deposit	25,497	25,060
	62,751	81,302
	62,751	81,302

Note 4: Receivables

Current

Accounts receivable	-	1,950
Sundry Debtors	420	91
	420	2,041
	420	2,041

Frankston Business Chamber Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2015

2015

2014

Note 5: Property, Plant and Equipment

Leased plant and equipment:

- At cost	3,902	2,435
- Less: Accumulated amortisation	(1,518)	(2,305)
	2,384	130
	2,384	130

Note 6: Payables

Unsecured:

- Trade creditors	1,955	1,716
- Other creditors	-	3,870
	1,955	5,586
	1,955	5,586

Note 7: Financial Liabilities

Current

Unsecured:

- Bank overdrafts	-	1
	-	1
	-	1

Frankston Business Chamber Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2015

2015

2014

Note 8: Provisions

Current

Sundry provisions	15,861	13,654
	15,861	13,654

There were 2 employees at the end of the year

Note 9: Other Liabilities

Current

Advance payments	48,567	58,510
	48,567	58,510

Note 10: Going Concern

The results for the year disclose a deficit of \$7666. When combined with prior periods this has resulted in a net deficiency in Member's Funds of \$4187. While the Chamber still has \$62751 in cash the liability for subscriptions received in advance for the 2016 financial year and provisions for employee entitlements exceed the actual cash available at 31 December 2015.

The Chamber has prepared both a budgeted profit and loss and a cash flow budget both disclosing a surplus for the 2016 financial year and believes that the deficiency disclosed at 31 december 2015 will be recouped in the 2016 financial year. The Chamber undertakes to carefully monitor its costs in the coming financial year to ensure that it can continue to operate as a going concern. The financial statements have therefore been prepared on a going concern basis.

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Statement of Cash Flows
For the year ended 31 December 2015

	2015	2014
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from members and customers	142,261	181,380
Payments to Suppliers and employees	(157,675)	(156,777)
Interest received	766	924
Net cash provided by (used in) operating activities (note 2)	(14,648)	25,527
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(3,902)	-
Net cash provided by (used in) investing activities	(3,902)	-
Net increase (decrease) in cash held	(18,550)	25,527
Cash at the beginning of the year	81,301	55,773
Cash at the end of the year (note 1)	62,751	81,301

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated
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Statement of Cash Flows
For the year ended 31 December 2015

2015

2014

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank	37,254	56,242
Term Deposit	25,497	25,060
Buy Local Expo Account	-	(1)
	<u>62,751</u>	<u>81,301</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax

Operating profit after income tax	(7,666)	6,002
Depreciation	1,530	129
(Profit) / Loss on sale of property, plant and equipment	118	-
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in fixed assets	(3,902)	-
(Increase) decrease in trade and term debtors	1,621	1,109
(Increase) decrease in prepayments	-	634
Increase (decrease) in trade creditors and accruals	239	415
Increase (decrease) in other creditors	(13,813)	8,000
Increase (decrease) in sundry provisions	3,323	9,238
Net cash provided by (used in) operating activities	<u>(18,550)</u>	<u>25,527</u>

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Independent Audit Report to the Members

We have audited the accompanying financial report, being a special purpose financial report, of Frankston Business Chamber Incorporated (the association), which comprises the Statement by Members of the Committee, Income and Expenditure Statement, Balance Sheet, notes comprising a summary of significant accounting policies, other explanatory notes and the Certificate by Members of the Committee for the financial year ended 31 December 2015.

Committee's Responsibility for the Financial Report

The committee of Frankston Business Chamber Incorporated is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 and is appropriate to meet the needs of the members. The committee's responsibilities also include such internal control as the committee determine 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Opinion

In our opinion, the financial report gives a true and fair view of the financial position of Frankston Business Chamber Incorporated as at 31 December 2015 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the Associations Incorporation Reform Act 2012.

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Independent Audit Report to the Members

**Basis of Accounting and
Restriction on Distribution**

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Frankston Business Chamber Incorporated to meet the requirements of the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose.

Signed on :

Gregory Waterland, Principal
Flinders Partners Group
Level 1, 405 Nepean Highway Frankston

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Statement by Members of the Committee
For the year ended 31 December 2015

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 Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Frankston Business Chamber Incorporated as at 31 December 2015 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association 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:

Peter Patterson (President)
President

Taso Tounis (Treasurer)
Treasurer

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Certificate by Member of the Committee
For the year ended 31 December 2015

I, Peter Patterson (President) , and I, Taso Tounis (Treasurer) of certify that:

- a. We attended the annual general meeting of the association held on
- b. The financial statements for the year ended 31 December 2015 were submitted to the members of the association at its annual general meeting.

Dated

Peter Patterson (President)

Taso Tounis (Treasurer)