

**Frankston Business Chamber
Incorporated**

ABN 73 324 996 442

Financial Statements
For the year ended 31 December 2016

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 2016

Your committee members submit the financial accounts of the Frankston Business Chamber Incorporated for the financial year ended 31 December 2016.

Committee Members

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

Kath Ferry (President)
 Jason Beare (Treasurer)
 Cassie Antony
 Donna Bauer
 Jim Schaefer (VP)
 Tim Jerram (VP)
 Karin Hann (Secretary)

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 2016	Year ended 31 December 2015
\$	\$
(10,080)	(7,666)

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Committee's Report
For the year ended 31 December 2016

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

Kath Ferry (President)

Jason Beare (Treasurer)

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Income and Expenditure Statement
For the year ended 31 December 2016

	2016	2015
	\$	\$
Income		
Interest received	643	766
Loss on disposal of prop, plant & equip	-	(118)
Member subscriptions - Current year	62,994	57,540
Major sponsorship	25,500	38,000
Women connect	24,302	21,292
Network catering income	1,830	3,270
Trivia Night	-	6,166
Fund Raising	13,678	13,405
Sundry income	-	967
Total income	128,948	141,289
Expenses		
Advertising and promotion	1,481	4,460
Awards	-	496
Bank Fees And Charges	1,350	1,568
Bookkeeping	712	1,824
Business breakfast - table costs	2,400	-
Depreciation	1,192	1,530
Frankston Tourism Membership	300	75
Fundraising costs	13,292	17,541
Holiday pay	(483)	985
Insurance	2,575	2,260
Long service leave	2,449	1,221
Office Supplies	343	336
Post office box	121	115
Postage	977	1,315
Rent on land & buildings	6,600	6,600
Software	-	150
Staff training	-	447
Superannuation	7,412	7,125
Telephone	660	1,141
Travel allowances	1,200	1,300

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 2016

	2016	2015
	\$	\$
Wages	78,020	75,000
Website	-	258
Women connect expenses	17,300	18,891
Sundry Expenses	1,127	4,315
Total expenses	<u>139,028</u>	<u>148,955</u>
Profit (loss) from ordinary activities before income tax	(10,080)	(7,666)
Income tax revenue relating to ordinary activities	-	-
Net profit (loss) attributable to the association	(10,080)	(7,666)
Total changes in equity of the association	(10,080)	(7,666)
Opening retained profits	(4,187)	3,479
Net profit (loss) attributable to the association	<u>(10,080)</u>	<u>(7,666)</u>
Closing retained profits	(14,267)	(4,187)

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Balance Sheet as at 31 December 2016

	Note	2016 \$	2015 \$
Assets			
Current Assets			
Cash assets	3	62,750	62,751
Receivables	4	1,458	420
Other	5	1,600	-
Total Current Assets		65,808	63,171
Non-Current Assets			
Property, plant and equipment	6	1,192	2,384
Total Non-Current Assets		1,192	2,384
Total Assets		67,000	65,554
Liabilities			
Current Liabilities			
Payables	7	1,996	1,955
Current tax liabilities		3,726	3,358
Provisions	8	17,827	15,861
Other	9	57,718	48,567
Total Current Liabilities		81,267	69,741
Total Liabilities		81,267	69,741
Net Assets (Liabilities)		(14,267)	(4,187)
Members' Funds			
Retained profits / (Accumulated losses)		(14,267)	(4,187)
Total Members' Funds (Deficiency)		(14,267)	(4,187)

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 2016**

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 Incorporations Act of Victoria. 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) Property, Plant and Equipment (PPE)

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

The depreciable amount of all PPE 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 with original maturities of three months or less.

(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 allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Notes to the Financial Statements**For the year ended 31 December 2016**

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.

Membership and subscription income is recognised in the financial year to which it relates. This may not be the year in which it is received. While there may be no requirement to refund membership subscriptions the revenue is deferred on the basis of matching the revenue to the expenses it is designed to cover. Subscriptions are for either a six or twelve month membership and are apportioned over the period of the subscription. Sponsorships are allocated to the year to which the sponsorship relates. Amounts relating to future periods are disclosed as "income in advance" in the balance sheet at 31 December 2016.

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

(g) Goods and Services Tax (GST)

The Frankston Business Chamber is not currently registered for GST. Revenues do not include GST as no amounts have been charged. Expenses and other amounts paid are recognised inclusive of any GST amount paid

(h) 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

ABN 73 324 996 442

Notes to the Financial Statements

For the year ended 31 December 2016

2016

2015

Note 2: Revenue

Operating Activities:

Interest revenue	643	766
Other operating revenue:		
Member subscriptions - Current year	62,994	57,540
Major sponsorship	25,500	38,000
Women connect	24,302	21,292
Network catering income	1,830	3,270
Trivia Night	-	6,166
Fund Raising	13,678	13,405
Sundry income	-	967
	<u>128,948</u>	<u>141,407</u>

Note 3: Cash assets

Bank accounts:		
Cash At Bank	36,528	37,254
Term Deposit	26,222	25,497
	<u>62,750</u>	<u>62,751</u>

Note 4: Receivables

Current

Sundry Debtors	<u>1,458</u>	<u>420</u>
	<u>1,458</u>	<u>420</u>

Frankston Business Chamber Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2016

	2016	2015
Note 5: Other Assets		
Current		
Prepayments	1,600	-
	<u>1,600</u>	<u>-</u>
Note 6: Property, Plant and Equipment		
Leased plant and equipment:		
- At cost	3,902	3,902
- Less: Accumulated amortisation	(2,710)	(1,518)
	<u>1,192</u>	<u>2,384</u>
	<u>1,192</u>	<u>2,384</u>
Note 7: Payables		
Unsecured:		
- Trade creditors	1,996	1,955
	<u>1,996</u>	<u>1,955</u>
	<u>1,996</u>	<u>1,955</u>
Note 8: Provisions		
Current		
Sundry provisions	17,827	15,861
	<u>17,827</u>	<u>15,861</u>

There were 2 employees at the end of the year

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Notes to the Financial Statements

For the year ended 31 December 2016

2016

2015

Note 9: Other Liabilities

Current

Advance payments	57,718	48,567
	57,718	48,567

Note 10: Going Concern

The results for the year disclose a deficit of \$10,080 on the basis indicated in note 1 of deferring subscription revenue to the period to which the subscription relates. The deficit on this basis indicates that the Frankston Business Chamber has spent in excess of its revenue for the year including providing for staff leave entitlements. While the balance sheet shows a net deficiency of \$14,267 at 31 December 2016 the Frankston Business Chamber had \$62,750 in cash at that date, which is sufficient for it to meet its debts as and when they fall due. 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 2016

	2016	2015
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from customers	127,266	142,261
Payments to Suppliers and employees	(127,910)	(157,676)
Interest received	643	766
Net cash provided by (used in) operating activities	<u>(1)</u>	<u>(14,648)</u>
 Cash Flow From Investing Activities		
Purchase of fixed assets	<u>-</u>	<u>(3,902)</u>
Net cash provided by (used in) investing activities	<u>-</u>	<u>(3,902)</u>
 Net increase (decrease) in cash held	(1)	(18,550)
 Cash at the beginning of the year	<u>62,751</u>	<u>81,301</u>
Cash at the end of the year (note 3)	<u><u>62,750</u></u>	<u><u>62,751</u></u>

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 2016

2016

2015

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	36,528	37,254
Term Deposit	26,222	25,497
	<u>62,750</u>	<u>62,751</u>

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

Operating profit after income tax	(10,080)	(7,666)
Depreciation	1,192	1,530
(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 trade and term debtors	(1,038)	1,621
(Increase) decrease in prepayments	(1,600)	-
Increase (decrease) in trade creditors and accruals	41	239
Increase (decrease) in other creditors	9,151	(13,813)
Increase (decrease) in sundry provisions	2,334	3,323
Net cash provided by (used in) operating activities	<u>(1)</u>	<u>(14,648)</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 2016.

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 Act of Victoria 2012 and is appropriate to meet the needs of the members. The committee's responsibilities also includes 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 2016 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 Act of Victoria 2012.

Frankston Business Chamber Incorporated

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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 Act of Victoria 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 2016

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 2016 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:

Kath Ferry (President)
President

Jason Beare(Treasurer)
Treasurer

Frankston Business Chamber Incorporated
ABN 73 324 996 442
Certificate by Member of the Committee
For the year ended 31 December 2016

I, Kath Ferry (President), and I, Jason Beare certify that:

- a. We attended the annual general meeting of the association held on .
- b. The financial statements for the year ended 31 December 2016 were submitted to the members of the association at its annual general meeting.

Dated

Kath Ferry (President)
Committee Member

Jason Beare(Treasurer)
Committee Member