

PATHWAY COMMUNITY CENTRE INCORPORATED
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

PATHWAY COMMUNITY CENTRE INCORPORATED
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

CONTENTS	PAGE NUMBERS
Report of the Committee	2
Summary Income & Expenditure Statement	3
Balance Sheet	4
Notes to the Financial Statements	5
Detailed Income & Expenditure Statement	7
Statement by the Committee	8
Independent Audit Report	9

PATHWAY COMMUNITY CENTRE INCORPORATED**REPORT OF THE COMMITTEE****FOR THE YEAR ENDED 31 DECEMBER 2018**

In accordance with Section 35(5) of the South Australian Associations Incorporation Act of 1985, the management Committee of Pathway Community Centre Incorporated (PCC) hereby states that during the financial year ended 31 December 2018;

- (i) no officer of the PCC,
- (ii) no firm in which an officer was a member, and
- (iii) no body corporate in which an officer has a substantial interest,

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the PCC and no officer has received either directly or indirectly from the PCC any payment or other benefit of a pecuniary value with the exception of:

- Salaries and benefits paid to some salaried employees of the PCC that are also Ex-officio members of the PCC Committee.

Signed at **MORDEWAY NORTH** this **17** day of **APRIL** 2019, in accordance with a resolution of the PCC Committee.



..... Chair, PCC Committee



..... Member, PCC Committee

PATHWAY COMMUNITY CENTRE INCORPORATED
SUMMARY INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes/Reference	2018	2017
		\$	\$
INCOME	Page 7	<u>191,209</u>	<u>188,031</u>
EXPENDITURE			
General & Administration	Page 7	26,011	25,996
Treasured Designs	Page 7	28,073	17,344
Employment	Page 7	109,937	82,614
Occupancy Costs	Page 7	<u>27,207</u>	<u>24,095</u>
TOTAL EXPENDITURE		<u>191,229</u>	<u>150,050</u>
NET (DEFICIT)/SURPLUS - ORDINARY ACTIVITIES		(20)	37,982
Appeal Funds		<u>9,759</u>	<u>62,438</u>
TRANSFER TO ACCUMULATED FUNDS A/C		<u>9,739</u>	<u>100,419</u>

THE SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, PAGES 5 - 6, FORMS PART OF THESE FINANCIAL STATEMENTS

PATHWAY COMMUNITY CENTRE INCORPORATED

BALANCE SHEET

AS AT 31 DECEMBER 2018

ASSETS	Note	2018 <u>\$</u>	2017 <u>\$</u>
CURRENT ASSETS			
Cash & Cash Equivalents	2	103,057	90,860
Receivables	3	<u>1,989</u>	<u>6,691</u>
TOTAL CURRENT ASSETS		<u>105,046</u>	<u>97,551</u>
NON CURRENT ASSETS			
Furniture & Fittings	4	618	773
Plant & Equipment	5	1,256	1,569
Motor Vehicles	6	40,007	44,523
Leasehold Improvements	7	<u>63,042</u>	<u>50,510</u>
TOTAL NON CURRENT ASSETS		<u>104,923</u>	<u>97,375</u>
TOTAL ASSETS		<u>209,969</u>	<u>194,926</u>
LIABILITIES			
CURRENT LIABILITIES			
Charity Funds	8	<u>8,200</u>	<u>6,455</u>
TOTAL CURRENT LIABILITIES		<u>8,200</u>	<u>6,455</u>
PROVISIONS			
Provisions	9	<u>18,154</u>	<u>14,594</u>
TOTAL LIABILITIES		<u>26,354</u>	<u>21,049</u>
NET ASSETS		<u>183,616</u>	<u>173,877</u>
ACCUMULATED FUNDS			
Accumulated Surplus brought forward		173,877	73,458
Transfer from Income & Expenditure Account this year		<u>9,739</u>	<u>100,419</u>
TOTAL ACCUMULATED FUNDS		<u>183,616</u>	<u>173,877</u>

THE SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, PAGES 5 - 6, FORMS PART OF THESE FINANCIAL STATEMENTS

PATHWAY COMMUNITY CENTRE INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND FORMING PART OF THE FINANCIAL STATEMENTS

Basis of Accounting

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the South Australian Associations Incorporation Act 1985. The management Committee of PCC has determined that PCC is not a reporting entity, and there is therefore no requirement to apply Australian Accounting Standards and Urgent Issues Group Interpretations in the preparation of this report.

The accounting policies used in the preparation of this report are described below and are, in the opinion of the Committee of PCC appropriate for the purpose for which it has been prepared.

(a) The financial statements have been prepared on an accruals basis of accounting including the historical cost convention and the going concern assumption.

(b) The requirements of International Financial Reporting Standards promulgated by the accounting profession do not have mandatory applicability to PCC in relation to the year ended 31 December 2018 because PCC is not a 'reporting entity' as defined therein. PCC has prepared the financial report in accordance with only the following Australian Accounting Standards:

AASB 110 "Events after the Balance Sheet Date"; and
AASB 1031 "Materiality".

No other Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

(c) Plant and Equipment

Plant and equipment is recorded at cost, less where applicable, any accumulated depreciation.

PCC does not have a revaluation policy in place for its plant & equipment assets.

Any gain or loss on the disposal of assets is determined as the difference between the written-down value of the asset at the time of disposal and the proceeds from disposal, and is included in the results in the year of disposal.

Depreciation

Depreciation on plant & equipment is provided at appropriate rates using the diminishing value method so as to amortise the cost over the effective live of each individual asset.

(d) Income Tax

PCC is exempt from income tax under the provisions of Section 50-10 of the Income Tax Assessment Act 1997.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised at GST exclusive amounts.

(f) Critical Accounting Estimates and Judgments

The management Committee of PCC evaluated the estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained externally and from within PCC.

PATHWAY COMMUNITY CENTRE INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 31 DECEMBER 2018

2. CASH & CASH EQUIVALENTS

	2018	2017
	\$	\$
BFS 14519 A/c	2,084	43,903
BFS 16319 LSL Prov A/c	10,441	6,797
BFS 16683 S T A/c	-	40,160
BFS Notice of withdraw 17075 A/c	41,289	-
BFS Pathway Operating 17074 A/c	48,432	-
Debit Card - Load and Go	810	-
TOTAL	<u>103,057</u>	<u>90,860</u>

3. RECEIVABLES

Trade Debtors	632	49
Clovercrest Baptist Church	-	221
Net GST Receivable	1,357	6,422
TOTAL	<u>1,989</u>	<u>6,691</u>

4. FURNITURE & FITTINGS

Furniture & Fittings - Cost	3,656	3,656
Less: Accumulated Depreciation	(3,039)	(2,883)
TOTAL	<u>618</u>	<u>773</u>

5. PLANT & EQUIPMENT

Plant & Equipment - Cost	2,153	959
Additions - 2017	-	1,194
Less: Accumulated Depreciation	(897)	(584)
TOTAL	<u>1,256</u>	<u>1,569</u>

6. Motor Vehicles

Van & Ute - Cost	55,177	55,177
Less: Accumulated Depreciation	(15,170)	(10,654)
TOTAL	<u>40,007</u>	<u>44,523</u>

7. LEASEHOLD IMPROVEMENTS

Opening cost	-	-
W-I-P 2017	50,510	50,510
Additions - 2018	12,532	-
TOTAL	<u>63,042</u>	<u>50,510</u>

8. CHARITY FUNDS

	Opening Balance	Received This year	Expended This year	Closing Balance
	\$	\$	\$	\$
Charity Ministries' Funds:				
Tea Table Donations	5,199	0	0	5,199
Creative Connections	1,256	7,205	(5,460)	3,001
TOTAL	<u>6,455</u>	<u>7,205</u>	<u>(5,460)</u>	<u>8,200</u>

9. PROVISIONS

General - Repairs & Improvements	7,000	7,000
Long Service Leave	11,154	7,594
	<u>18,154</u>	<u>14,594</u>

PATHWAY COMMUNITY CENTRE INCORPORATED

DETAILED INCOME & EXPENDITURE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	<u>\$</u>	<u>\$</u>
INCOME		
Treasured Designs	131,613	136,780
General donations	54,829	43,344
Community Care donations	-	423
Other Income	2,794	5,803
Hiring	71	182
Photocopying	530	871
Interest received	1,373	629
TOTAL INCOME	<u>191,209</u>	<u>188,031</u>
EXPENDITURE		
General & Administration Expenses		
Audit Fees	1,300	1,000
Bank Charges	12	129
Community Care expenses	3,159	4,297
Depreciation	4,983	5,621
Fundraising	38	276
Motor vehicle expenses	10,748	9,992
Office Equipment	122	1,739
Photocopying	903	1,263
Postage	-	42
Volunteer Appreciation expenses	2,916	83
Stationery & Office Supplies	879	483
Sundry	950	1,049
Oasis Expenses	-	21
Total General & Administration Expenses	<u>26,011</u>	<u>25,996</u>
Treasured Designs		
Bank fees	79	400
Security	355	364
Utilities	698	2,834
Telephone	-	183
Rent	24,000	12,000
Office Equipment	637	220
Sundry expenses	2,305	1,344
Total Treasured Designs Expenses	<u>28,073</u>	<u>17,344</u>
Employment Expenses		
Staffing Costs	105,546	79,014
Staff Training	-	1,406
Workcover	832	416
Long service leave	3,560	1,779
Total Employment Expenses	<u>109,937</u>	<u>82,614</u>
Occupancy Costs		
Cleaning	2,765	721
Electricity	16,385	14,200
Repairs & Maintenance	2,747	3,224
Security Expenses	-	876
Telephone	1,685	2,274
Insurance Expenses	3,625	2,800
Total Occupancy	<u>27,207</u>	<u>24,095</u>
TOTAL EXPENDITURE	<u>191,229</u>	<u>150,050</u>
NET (DEFICIT)/ SURPLUS	<u>(20)</u>	<u>37,982</u>


PATHWAY COMMUNITY CENTRE INCORPORATED**STATEMENT BY THE COMMITTEE****FOR THE YEAR ENDED 31 DECEMBER 2018**


The management Committee of Pathway Community Centre Incorporated (PCC) has determined that PCC is not a reporting entity. The Committee has therefore determined that this Special Purpose Financial Report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

Further, the Committee confirms that:

- (a) the accompanying Income & Expenditure Statement and Balance Sheet, and notes attached thereto, are drawn up so as to present fairly the results of PCC for the financial year ended 31 December 2018 and the financial state of PCC as at 31 December 2018 in accordance with the accounting policies stated in Note 1 to the financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that PCC will be able to pay its debts as and when they fall due.

Signed this 17 day of April 2019 in accordance with a resolution of the Committee.


..... Chair, Committee


..... Member, Committee

PATHWAY COMMUNITY CENTRE INC.**INDEPENDENT AUDIT REPORT**

TO THE MANAGEMENT COMMITTEE OF PATHWAY COMMUNITY CENTRE INC. AND TO THE CHURCH COUNCIL OF CLOVERCREST BAPTIST CHURCH INC.

*Scope**The financial report and committee members' responsibility*

The special purpose financial report comprises the income statement, balance sheet, accompanying summary of significant accounting policies, and the statement by the Pathway Community Centre Inc.'s management Committee for the financial year ended 31 December 2018 .

The management Committee of Pathway Community Centre (Centre) is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Centre's constitution and the Associations' Incorporation Act of 1985, and are appropriate to meet the Centre's management and reporting responsibilities. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The financial report has been prepared for distribution to the Committee of Pathway Community Centre Inc., and to the Church Council of Clovercrest Baptist Church Inc., i.e. the leadership teams, for the purpose of fulfilling financial reporting requirements under the Centre's constitution and the Associations' Incorporation Act of 1985. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, to any person other than the Church and the Centre leadership teams, or for any purpose other than that for which it was prepared.

Audit Approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the Centre and to the Church leadership teams. No opinion is expressed to the Church and the Centre leadership teams as to whether the accounting policies used are appropriate, nor on the effectiveness of management's internal controls over financial reporting. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the basis of accounting described in the Summary of Significant Accounting Policies and the Centre's constitution, a view which is consistent with our understanding of the Centre's financial position, and its performance. These policies do

not require the application of all Accounting Standards, UIG Consensus Views and other professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

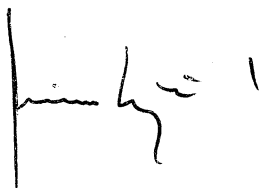
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with the summary of significant accounting policies set out on page 5 of the financial statements, the financial position of Pathway Community Centre Inc. at 31 December 2018 and the results of its operations for the financial year then ended.

Super Funds Accounting Pty Ltd
Certified Practising Accountants



Kimani Nganga BCom CPA DFP SSAud
Director

Dated 6th May 2019