

CLOVERCREST BAPTIST CHURCH INCORPORATED

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

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FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018

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**CLOVERCREST BAPTIST CHURCH INCORPORATED**  
**REPORT OF THE CLOVERCREST BAPTIST CHURCH COUNCIL**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

In accordance with Section 35(5) of the Association Act, 1985, the Clovercrest Baptist Church Council, (CBC Council), hereby states that during the financial year ended 31 December 2018;

- (i) no officer of the Church;
- (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 Church and no officer has received either directly or indirectly from the Church any payment or other benefit of a pecuniary value with the exception of:

- Employee salaries and benefits paid to some salaried employees of the Church that are also Ex-officio members of the Church Council.
- A member who or whose spouse is an approved missionary partner of the Church.

Signed at MODURU NOETU this 17 day of April 2019, in accordance with a resolution of the Church Council.



..... Chair, Church Council



..... Member, Church Council

## CLOVERCREST BAPTIST CHURCH INCORPORATED

## SUMMARY INCOME &amp; EXPENDITURE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Reference/Note	2018 \$	2017 \$
<b>INCOME</b>			
Total Offering	Page 9	927,605	916,940
Miscellaneous Income	Page 9	27,330	17,094
<b>Total General Income</b>		<u>954,935</u>	<u>934,034</u>
<b>Other Income</b>			
Youth Room Insurance Claim proceeds	Page 9	0	30,665
Milne Road Shopping Centre Rent net deficit	Page 12	(674)	(14,948)
Coach Grant		14,850	-
AV 2018 Upgrade Funds		28,484	-
Quench Cafe Net Operating surplus	Page 13	3,263	4,191
		<u>45,923</u>	<u>19,908</u>
<b>Total Income - Ordinary Activities</b>		1,000,857	953,942
<b>EXPENDITURE</b>			
General & Administration	Page 9	131,863	89,321
Ministries	Page 10	26,640	20,571
Training Courses	Page 10	267	1,165
Missions & Prayer	Page 10	55,634	59,065
Staff Expenses	Page 11	559,391	510,859
Staff Training	Page 11	1,755	1,777
Senior Pastor Expenses	Page 11	8,795	4,795
Occupancy Costs	Page 11	51,240	86,629
<b>Total Expenditure</b>		<u>835,585</u>	<u>774,178</u>
<b>Other Expenditure</b>			
Infrastructure & Property	Page 11	159,798	90,973
<b>Total Other Expenditure</b>		<u>159,798</u>	<u>90,973</u>
<b>NET SURPLUS FROM ORDINARY ACTIVITIES</b>		<u>5,475</u>	<u>89,389</u>
<b>TRANSFER TO ACCUMULATED FUNDS A/C</b>		<u>5,475</u>	<u>89,389</u>

THE SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, PAGES 6 - 8, FORMS PART OF THESE FINANCIAL STATEMENTS

**CLOVERCREST BAPTIST CHURCH INCORPORATED****BALANCE SHEET****AS AT 31 DECEMBER 2018**

<b>ASSETS</b>	Note	2018 \$	2017 \$
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	2	399,956	484,014
<b>TOTAL CURRENT ASSETS</b>		<u>399,956</u>	<u>484,014</u>
<b>NON CURRENT ASSETS</b>			
Land and Buildings	3	8,274,169	1,524,209
Plant & Equipment	4	247,970	104,162
Building Project WIP	5	-	3,340,774
<b>TOTAL NON CURRENT ASSETS</b>		<u>8,522,139</u>	<u>4,969,146</u>
<b>TOTAL ASSETS</b>		<u>8,922,095</u>	<u>5,453,160</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade & Other Creditors	6	13,947	4,555
GST Payable	7	(4,935)	(3,414)
Payroll Liabilities	8	40,117	27,141
Auxiliary Funds	9	52,929	43,747
<b>TOTAL CURRENT LIABILITIES</b>		<u>102,058</u>	<u>72,029</u>
<b>NON CURRENT LIABILITIES</b>			
Long Term Liabilities	10	1,750,998	2,072,809
Provision for Assets Replacement		22,069	28,886
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>1,773,067</u>	<u>2,101,696</u>
<b>TOTAL LIABILITIES</b>		<u>1,875,124</u>	<u>2,173,725</u>
<b>NET ASSETS</b>		<u>7,046,971</u>	<u>3,279,436</u>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus brought forward		1,076,985	977,596
Transfer from Income & Expenditure Account this year		5,475	99,389
<b>TOTAL ACCUMULATED FUNDS</b>		<u>1,082,460</u>	<u>1,076,985</u>
Bldg Project Donations Balance brought forward		2,143,146	1,959,568
Bldg Project & Anniversary Donations brought to account this year		101,855	183,578
<b>TOTAL BUILDING PROJECT DONATIONS</b>		<u>2,245,001</u>	<u>2,143,146</u>
Fixed Assets Revaluation Reserve		3,660,205	-
Quench Cafe Donations - Specified Giving		59,305	59,305
<b>TOTAL MEMBERS' FUNDS</b>		<u>7,046,971</u>	<u>3,279,436</u>

**CLOVERCREST BAPTIST CHURCH INCORPORATED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus from ordinary operations	5,475	89,389
Adjustments for non-cash items:		
Depreciation	139,674	51,906
Loss on asset write offs	16,100	
Provision for Assets Replacement	(6,818)	18,886
Reversal of 2016 Asset Replacement provision		10,000
	<u>154,431</u>	<u>170,181</u>
Decrease in Trade & Other Creditors	9,392	(3,085)
Decrease in Refundable GST	(1,521)	3,588
Increase in Payroll Liabilities	12,976	842
Decrease in Auxiliary Funds	9,182	(2,948)
<i>Net cash from operating activities</i>	<u>184,460</u>	<u>168,579</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Expenditure on Church Building Work in Progress & Milne Road	(17,416)	(16,669)
Purchase of Plant & Equipment	(31,145)	(40,854)
<i>Net cash used in investing activities</i>	<u>(48,562)</u>	<u>(57,523)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Loan Principal	(321,811)	(14,494)
Repayment of Members' Offset Funds	10,000	(20,000)
Members Building Loans Received	(10,000)	20,000
Donations Income for Bldg Project & Church Anniversary	101,855	183,578
<i>Net cash from financing activities</i>	<u>(219,956)</u>	<u>169,084</u>
<b>SUMMARY OF NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE YEAR</b>		
Cash and Cash Equivalents at beginning of the year - as above	484,014	203,875
Net cash from operating activities - as above	184,460	168,579
Net cash used in investing activities - as above	(48,562)	(57,523)
Net cash from financing activities - as above	(219,956)	169,084
<b>CASH AND CASH EQUIVALENTS AT YEAR END - see Note 2 on Page 7</b>	<u>399,956</u>	<u>484,014</u>

## 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 special purpose financial report has been prepared for distribution to the CBC Council to fulfill the Council's financial accountability requirements under the Associations Incorporation Act 1985 and CBC's Constitution.

The CBC Council has determined that the Church is not a reporting entity and, therefore, there is 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 CBC Council appropriate to meet the needs of the CBC Council.

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

(b) CBC Council has prepared the financial report in accordance with the requirements of the Australian Charities and Not-for-profit Commission Act 2012. The requirements of International Financial Reporting Standards promulgated by the accounting profession do not have mandatory applicability to Clovercrest Baptist Church Inc. (CBC) in relation to the year ended 31 December 2018 because CBC is not a "reporting entity" as defined therein. CBC Council has therefore prepared the financial report in accordance only with the following Accounting Standards:

- AASB 101 "Presentation of Financial Statements"
- AASB 107 "Statement of Cash Flows"
- AASB 108 "Accounting Policies, Changes in Accounting Estimates and Errors"
- AASB 1031 "Materiality"
- AASB 1048 "Interpretation of Standards"
- AASB 1054 "Australian Additional Disclosures"

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

(c) Property, Vehicles, Plant and Equipment

Each class of property, vehicles, plant and equipment is recorded at cost, less where applicable, any accumulated depreciation.

## Cost or Valuation

Property, vehicles, plant and equipment are recorded at cost or valuation. Properties and plant and equipment were most recently professionally revalued in October 2018, by Gary Taplin - Certified Practising Valuer.

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*

Buildings: Depreciation is calculated at the rate of 2% p.a. on the historical costs, not revaluation amounts, using the straight line method, for both the Famechon Crescent and the Milne Road properties.

Depreciation on plant & equipment is provided at appropriate rates using the diminishing value method so as to amortise the historical cost of each asset over its useful life.

(d) Income Tax

CBC is a 'religious institution' - exempted from income tax under paragraph 23(e) of the Income Tax Assessment Act 1936 (ITAA).

(e) Employee Entitlements

Provision is made for CBC's liability for employees' benefits arising from services rendered by employees to the balance sheet date. Employee benefits have been measured including their related on-costs.

Provision is made for long service leave estimated to be payable to employees on the basis of statutory and contractual requirements. Long service leave entitlements are recognised from the time an employee completes seven years of service, which is when the benefit vests.

The amount of leave entitlements estimated to be either payable or to be taken in the next 12 months is shown as a current liability.

Sick leave entitlements are non-vesting, and so no accrual for sick leave has been recognised. Sick leave taken by employees is charged as an expense when incurred.

The contributions made to superannuation funds by CBC are expensed in the year to which they relate.

## CLOVERCREST BAPTIST CHURCH INCORPORATED

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

## FOR THE YEAR ENDED 31 DECEMBER 2018

## 2. CASH &amp; CASH EQUIVALENTS

	2018	2017
	\$	\$
BankSA Cheque Account	2,287	12,385
CBC BFS Chq BS	34,214	37,339
BFS 14518 LSL Account	0	22,926
BFS Chq A/c 1 - Quench	26,713	13,851
BFS 14521 Aux Chq Account	10,429	554
BFS Aux Offset Account	29,550	29,250
BankSA BB4M Account	12,450	12,440
BFS Gift Account	46,596	37,585
BFS Offset Account #65	225,032	190,282
BFS Prov Ins/Rollover Account/Asset Replacement	0	119,451
BFS A/C 16320 - Quench	2,053	2,012
BFS General Building Fund - 17049	929	-
Cash Drawer - Quench	300	300
Change Float - Quench	200	200
Youth Float - Aux	17	200
Debtor - CBC	5,286	163
Stocks - Quench	3,900	5,078
	<u>399,956</u>	<u>484,014</u>

## 3. LAND &amp; BUILDINGS

Church Buildings & Improvements at cost	4,905,803	1,551,607
Less: Accumulated Depreciation - Opening	(662,025)	(630,993)
Plus: Acc Depreciation Reversed - Valuation	662,025	-
Less: Depreciation - 2018 charge	(98,116)	(31,032)
Church Buildings valuation	1,999,255	-
Milne Road Building & Improvement at cost	638,622	634,627
Milne Road Building valuation	841,378	-
Less: Depreciation - 2018 charge	(12,772)	-
<b>TOTAL</b>	<u>8,274,169</u>	<u>1,524,209</u>

## 4. PLANT &amp; EQUIPMENT

Plant & Equipment - Cost - Opening	484,568	443,714
Plant & Equipment - Cost (CBC) - Additions	31,145	37,660
Plant & Equipment - Cost (Quench) - Additions	-	3,195
Plant & Equipment - Cost - adjustment for written off items	(219,937)	-
Less: Accumulated Depreciation - Opening	(380,405)	(359,532)
Plus: Acc Depreciation Reversed - Valuation	157,547	-
Accumulated Depreciation - adjust't for written off items	203,837	-
Less: Depreciation - 2018 charge	(28,785)	(20,874)
<b>TOTAL</b>	<u>247,970</u>	<u>104,162</u>

Following a reconciliation of a physical count of all plant & equipment assets with the fixed assets register, a decision was made to write off all old and no longer existing equipment (some older than 20 years). As a result, \$219,937 cost and \$203,837 accumulated depreciation were reversed with a net loss effect of \$16,100.

## 5. BUILDING PROJECT WIP

Work in progress opening balance	0	3,324,105
Expenditure in current year	0	16,669
<b>TOTAL</b>	<u>0</u>	<u>3,340,774</u>

## 6. TRADE &amp; OTHER CREDITORS

Trade Creditors	12,034	4,776
Trade Creditors - Quench	784	(221)
Creditor - Auxiliary Funds Account	1,129	-
<b>TOTAL</b>	<u>13,947</u>	<u>4,555</u>

## 7. GST LIABILITIES

GST - CBC	(6,399)	(3,782)
GST - Auxiliary Funds	(1,661)	(1,303)
GST Quench Cafe	3,126	1,671
<b>TOTAL</b>	<u>(4,935)</u>	<u>(3,414)</u>

## 8. PAYROLL LIABILITIES

PAYG Withholding Payable	4,439	4,216
Superannuation Payable	4,349	-
Provision for LSL	31,329	22,926
<b>TOTAL</b>	<u>40,117</u>	<u>27,141</u>

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

FOR THE YEAR ENDED 31 DECEMBER 2018

9. AUXILIARY FUNDS	Opening Balance	Received This year	Expended This year	Closing Balance
	\$	\$	\$	\$
<b>Church Ministry Funds:</b>				
BBQ Trailer	694	0	(77)	617
Bible Story Telling	828	0	0	828
Carols at Clovie	561	732	(699)	594
Children Outreach	299	4,244	(3,187)	1,356
Children's Playground	265	150	(250)	164
KNO	47	0	(47)	0
Life Groups	1	0	(1)	0
Gingerbread	131	2,333	(1,699)	765
JAM	0	1,225	(1,162)	63
Family Camp	0	8,081	(7,740)	341
Local Schools Ministry	4	0	(4)	(0)
Mainly Music	437	4,029	(3,857)	609
Mens' Ministry	2,270	1,659	(948)	2,981
Milne Road Shop Maintenance Account	0	176	(176)	(0)
Mission - General	7,250	22,769	(19,611)	10,408
Out of Zone	82	0	(82)	0
Pastoral Care Aid Ministry	523	0	(440)	83
Prayer Events	533	210	(480)	263
Revelation Dance	1,292	1,871	(2,062)	1,100
Seniors Ministry	2,199	3,310	(2,997)	2,512
Stacks	516	350	(775)	92
Temporary Auxiliary	531	10,445	(7,616)	3,360
Toolbox Parenting Courses	8	394	(402)	(0)
Womens' Ministries	2,693	507	(2,112)	1,088
Worship	658	1,100	(539)	1,218
Worship - Cans	98	2,484	(1,725)	858
YA Catalyst	757	0	0	757
YAC - 18-25s	250	7,412	(7,254)	408
YA Group	198	1,956	(365)	1,789
Youth Camp	(400)	10,942	(10,076)	466
Video Team	1,275	0	0	1,275
Echo Youth	1,577	4,048	(5,355)	271
The Hub	0	5,196	(3,592)	1,604
<b>Associated Church Groups:</b>				
BB4M - Payments	12,440	8	0	12,448
Green Team Victor	186	0	0	186
Nepabunna Monthly Teams	1,469	0	0	1,469
<b>Special Church Activities:</b>				
Bank Interest Accumulated	87	41	0	128
<b>External Events:</b>				
4D Conference	198	0	0	198
3DM Training	0	27,550	(28,392)	(842)
Baptist World Aid	0	4,433	(3,797)	636
Donations Held	320	95,110	(95,000)	430
GLS Conference	5,898	0	(4,787)	1,112
Hey Family	100	250	(300)	50
Jeremy Aitken &	20	60	0	80
Nadia Laube	0	300	0	300
Mike Stevens Exte	180	80	(200)	60
Nathan Want Exte	0	540	(460)	80
James Stevens	(2,991)	3,291	0	300
Sean & Jan Boucher	178	148	(188)	138
Swinkels M & A	0	200	0	200
Stepps Course	87	0	0	87
<b>TOTAL</b>	<b>43,747</b>	<b>227,634</b>	<b>(218,452)</b>	<b>52,929</b>
<b>10. LONG TERM LIABILITIES</b>		2018		2017
		\$		\$
BFS Bank Loan - 17584		300,296		493,675
BFS Building Loan - 17583		995,114		995,022
BFS Building Loan - 17585		445,588		464,112
BFS Building Funds Offset		373,700		329,000
Unsecured Loans		100,000		100,000
BFS Offset Bank Account #22 Funds		(473,700)		(329,000)
Members Building Loans		10,000		20,000
<b>TOTAL</b>		<b>1,750,998</b>		<b>2,072,809</b>

**CLOVERCREST BAPTIST CHURCH INCORPORATED****DETAILED INCOME & EXPENDITURE STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2018**

	Reference/Note	2018 \$	2017 \$
<b>INCOME</b>			
<b>Offering</b>			
AM Offering		254,864	360,157
PM Offering		13,294	15,396
Regular Electronic Giving		523,525	470,954
Credit Card Giving		59,750	56,802
Mid-Week Offering		9,080	13,631
Debt Reduction Giving		67,092	-
<b>Total Offering</b>		<u>927,605</u>	<u>916,940</u>
<b>Miscellaneous Income</b>			
Hire Income		12,356	3,936
Photocopy Income		179	288
Tapes, CDs Book Sales		176	275
Interest Income		1,820	1,382
Quench Cafe Electricity Bills recovery		9,000	9,000
Sundry Income		3,800	2,214
<b>Total Miscellaneous Income</b>		<u>27,330</u>	<u>17,094</u>
<b>Other Income</b>			
Milne Road Shopping Centre Rent net deficit	Page 12	(674)	(14,948)
Insurance Claims Proceeds		-	30,665
Coach Grant		14,850	-
AV 2018 Upgrade Funds		28,484	-
Quench Cafe Net Operating surplus	Page 13	3,263	4,191
		<u>45,923</u>	<u>19,908</u>
<b>TOTAL INCOME</b>		<u><b>1,000,857</b></u>	<u><b>953,942</b></u>
<b>EXPENDITURE</b>			
<b>General &amp; Administration Expenses</b>			
Audit & Consulting Fees		4,500	4,500
Bank Charges		8,279	1,009
Cleaning Materials & Equipment		4,212	6,458
Computer Expenses		9,267	11,815
Depreciation - Equip & F & F		23,243	14,260
Assets Write-off loss		16,100	-
Assets Adjustment - Prior Year correction		1,210	-
Insurance		25,170	20,718
Internet		1,150	1,192
Morning Tea/Communion		2,256	1,795
Office Equipment		2,849	846
Photocopying		4,247	1,335
Postage		455	649
Registration		-	172
Repairs & Maintenance		4,085	1,794
Baptist Churches of SA		14,000	12,000
Security		2,721	2,253
Stationery & Office Supplies		3,459	3,161
Sundry Expenses		1,368	1,328
Telephone		3,293	4,038
<b>Total General &amp; Administration Expenses</b>		<u><b>131,863</b></u>	<u><b>89,321</b></u>

## CLOVERCREST BAPTIST CHURCH INCORPORATED

## DETAILED INCOME &amp; EXPENDITURE STATEMENT (Cont'd)

## FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
<b>Ministries</b>		
Young Adults	943	590
Echo Events	1,481	891
Youth Leadership Development	254	112
Youth Materials/Equipment	1,285	1,021
Children Ministry	6,202	3,178
Schools Ministry	608	1,001
Young Families	579	782.52
Kids Hope	1,206	671.70
Creative Ministry	2,884	1,498
Multi-Media & Sound Equipment	2,240	4,499
Music & Worship	2,784	2,001
Evangelism Materials	102	353
Evangelism Events	219	51
Alpha - Training & Creche	280	211
Alpha Catering	973	604
Life Groups	1,385	558
Welcome Lunches	326	278
Welcome Ministry	1,280	1,494
Pastoral Care	209	94
G4 Events	1,399	680
<b>Total Ministries</b>	<u>26,640</u>	<u>20,571</u>
<b>Training Courses</b>		
Training Courses	214	1,075
Volunteer Standards Training	53	89
<b>Total Training Courses</b>	<u>267</u>	<u>1,165</u>
<b>Missions &amp; Prayer</b>		
Education & Resources	908	30.00
Gifts	785	520
Mission Support	50,650	50,652
Mission Development	790	5,619
Prayer Ministry	509	251
Schools Chaplaincy	1,992	1,992
<b>Total Missions &amp; Prayer</b>	<u>55,634</u>	<u>59,065</u>

## CLOVERCREST BAPTIST CHURCH INCORPORATED

## DETAILED INCOME &amp; EXPENDITURE STATEMENT (Cont'd)

## FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
<b>Staff Expenses</b>		
Journey Insurance	416	260
LSL - Pastoral Staff	8,119	11,000
LSL - Staff	10,902	4,999
Pastor Relocation Fund	240	240
Salary & Wages	634,087	553,047
Reimbursement Salary & Wages	(155,647)	(113,322)
Superannuation	56,724	49,450
Work Cover	4,550	5,184
<b>Total Staff Expenses</b>	<b><u>559,391</u></b>	<b><u>510,859</u></b>
<b>Staff Training</b>		
Staff Training & Development	<b><u>1,755</u></b>	<b><u>1,777</u></b>
<b>Senior Pastor Expenses</b>		
Council Fund	-	113
Leadership Development	1,218	662
Pastoral Travel	3,862	866
Special Events & Hospitality	1,935	2,233
Staff Social Events	464	-
Visiting Speakers	1,317	921
<b>Total Senior Pastor Expenses</b>	<b><u>8,795</u></b>	<b><u>4,795</u></b>
<b>Occupancy Costs</b>		
Electricity	27,335	40,994
Emergency Services Levy	470	648
Gardening	287	85
Gas	6,680	7,371
Property Repairs & Maintenance	11,863	8,986
Youth Room Repairs	192	11,881
Youth Room Repairs Rollover	0	8,211
Milne Road Shop Repairs Rollover	0	5,800
SA Water	4,414	2,653
<b>Total Occupancy</b>	<b><u>51,240</u></b>	<b><u>86,629</u></b>
<b>Infrastructure &amp; Property</b>		
Depreciation - Church Buildings & Improvements	98,116	31,032
Depreciation - Milne Road Buildings & Improvements	12,772	0
Bank Interest on building loan	48,909	59,341
	<b><u>159,798</u></b>	<b><u>90,373</u></b>
<b>TOTAL OTHER EXPENDITURE</b>	<b><u>995,382</u></b>	<b><u>864,553</u></b>
<b>NET SURPLUS FROM ORDINARY ACTIVITIES</b>	<b><u>5,475</u></b>	<b><u>89,389</u></b>

## CLOVERCREST BAPTIST CHURCH INCORPORATED

## DIVISIONAL INCOME &amp; EXPENDITURE STATEMENT (MILNE ROAD SHOPPING CENTRE)

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
<b>INCOME</b>		
Rent	<u>44,036</u>	<u>31,259</u>
<b>EXPENSES</b>		
Interest	24,150	26,175
Light & Water	1,930	1,332
Rates & Taxes	10,594	11,550
Repairs & Maintenance	1,967	1,401
Management Fees	2,439	1,776
Insurance	<u>3,631</u>	<u>3,973</u>
<b>Total Milne Road Shoppin Centre Expense</b>	<u><b>44,711</b></u>	<u><b>46,207</b></u>
<b>Operating deficit for the year</b>	<u><u><b>(674)</b></u></u>	<u><u><b>(14,948)</b></u></u>

## CLOVERCREST BAPTIST CHURCH INCORPORATED

## DIVISIONAL INCOME &amp; EXPENDITURE STATEMENT (QUENCH CAFE)

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
<b>INCOME</b>		
<b>Trading Income</b>		
Food & Beverages	137,824	122,845
Parties	8,521	5,669
Conference/Events	4,440	-
Ministry catering	2,443	3,539
Grants	-	-
Miscellaneous Income	2,115	-
Tips	0	142
<b>Total Income</b>	<b>155,342</b>	<b>132,196</b>
<b>Less Cost of Goods Sold</b>		
Food & beverages	70,633	57,017
Other purchases	3,125	1,826
Plus: Opening Stocks	5,078	8,146
Less: GST adjustment journal in 2016	-	(391)
Less: Closing Stocks	(3,900)	(5,078)
	<b>74,936</b>	61,520
<b>Net Trading Income</b>	<b>80,406</b>	<b>70,676</b>
<b>Other Income</b>		
Donations	0	550
Bank Interest	120	71
	<b>120</b>	621
<b>TOTAL INCOME</b>	<b>80,526</b>	<b>71,297</b>
<b>Expenses</b>		
Bank fees & charges	1,496	1,246
Cleaning/rubbish removal	2,229	2,699
Computer software	826	459
Depreciation	5,543	6,613
Electricity & Gas	9,000	9,000
Low cost assets	648	2,426
Printing & stationery	428	741
Rates & Levies	2,026	2,236
Repairs & maintenance	4,451	4,818
Staff amenities & training	189	182
Subscriptions, licences and fees	270	120
Sundry expenses	101	387
Salaries & wages	50,000	35,490
Volunteer expenses	56	688
<b>Total expenses Quench Cafe expenses</b>	<b>77,263</b>	<b>67,106</b>
<b>Operating surplus for the year</b>	<b>3,263</b>	<b>4,191</b>



**CLOVERCREST BAPTIST CHURCH INCORPORATED**

**INDEPENDENT AUDITOR'S REPORT  
TO THE CHURCH COUNCIL OF CLOVERCREST BAPTIST CHURCH  
INCORPORATED**

I have audited the financial report of Clovercrest Baptist Church Incorporated, CBC, which comprises the balance sheet as at 31 December 2018, income and expenditure statement and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies, and the CBC Council declaration.

In my opinion the financial report of CBC has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profit Commission Act 2012*, including:

- (a) giving a true and fair view of CBC's financial position as at 31 December 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements, and Division 60 of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

**Basis for opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of CBC 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Emphasis of Matter - Basis of Accounting**

I draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling CBC Council's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

**Responsibility of the CBC Council for the Financial Report**

The CBC Council is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the ACNC Act and the needs of the members. The CBC Council's responsibility also includes such internal control as the CBC Council determines as necessary to enable the preparation of a 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, the CBC Council is responsible for assessing CBC's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting.

The CBC Council is responsible for overseeing the CBC's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Report**

My 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 my 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CBC Council.
- Conclude on the appropriateness of the CBC Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the CBC Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Kimani Nganga BCOM CPA SSAud DFP  
*Dated this 6<sup>th</sup> day of May 2019*

**CLOVERCREST BAPTIST CHURCH INCORPORATED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 Accumulated Funds	2017 Accumulated Funds
	<u>\$</u>	<u>\$</u>
Funds brought forward:		
Accumulated Surplus	977,596	990,886
Building Project Donations	1,959,568	1,753,188
Quench Café Donations	<u>59,305</u>	<u>59,305</u>
Funds Balance at 1 January 2017	<b><u>2,996,469</u></b>	<b><u>2,803,379</u></b>
Net Surplus From Ordinary Activities	99,389	(13,290)
Bldg Project Donations	183,578	206,380
<b>Funds Balance at 31 December 2017</b>	<b><u>3,279,436</u></b>	<b><u>2,996,469</u></b>
	Accumulated Funds	Accumulated Funds
Accumulated Funds:	\$	\$
Funds Balance at 1 January 2018	3,279,436	2,996,469
Net surplus from Ordinary Activities in the year	5,475	99,389
Bldg Project & Anniversary Donations in the year	101,855	183,578
Fixed Assets Revaluation in the year	3,660,205	0
<b>Funds Balance at 31 December 2018</b>	<b><u>7,046,971</u></b>	<b><u>3,279,436</u></b>