



PATHWAY
Community Centre

PATHWAY COMMUNITY CENTRE INCORPORATED

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

PATHWAY COMMUNITY CENTRE INCORPORATED
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



CONTENTS	PAGE NUMBERS
Report of the Board	3
Summary Income & Expenditure Statement	4
Balance Sheet	5
Notes to the Financial Statements	6
Detailed Income & Expenditure Statement	8
Statement by the Board	10
Independent Audit Report	11

PATHWAY COMMUNITY CENTRE INCORPORATED
REPORT OF THE BOARD
FOR THE YEAR ENDED 31 DECEMBER 2019



In accordance with Section 35(5) of the Association Act, 1985, the management Board of Pathway Community Centre Incorporated (PCC) hereby states that during the financial year ended 31 December 2019;

- (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 Board.

Signed this **22nd** day of **April 2020**, in accordance with a resolution of the PCC Board.

..... Chair, PCC Board

..... Member, PCC Board

PATHWAY COMMUNITY CENTRE INCORPORATED
SUMMARY INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019



	Notes/Reference	2019 \$	2018 \$
Income			
Income - donations & appeals	Page 8	72,147	54,829
Other Income - Op Shop & miscellaneous	Page 8	168,517	136,380
Total Income		240,664	191,209
Gross Profit			
		240,664	191,209
Operating Expenses			
Community Care	Page 8	(1,440)	(3,159)
Facility Expenses	Page 8	(35,794)	(26,747)
Utility/Service Expenses	Page 8	(23,167)	(21,888)
Equipment Expenses	Page 8	(3,506)	(759)
Vehicle Expenses	Page 8	(12,513)	(10,748)
Employment Expenses	Page 8	(122,193)	(109,937)
Finance & Compliance Expenses	Page 8	(2,871)	(5,016)
Program Expenses	Page 9	(5,915)	(7,991)
Total Operating Expenses		(207,399)	(186,246)
EBITDA			
		33,265	4,963
Interest Tax Depreciation & Amortisation			
Depreciation	Page 9	(4,649)	(4,983)
Total Interest Tax Depreciation & Amortisation		(4,649)	(4,983)
Operating Surplus			
		28,616	(20)
Appeal Funds			
		-	9,759
Net Surplus			
		28,616	9,739

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 2019

ASSETS	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash & Cash Equivalents	2	137,824	103,057
Receivables	3	5,866	1,989
TOTAL CURRENT ASSETS		143,690	105,046
NON CURRENT ASSETS			
Buildings Improvements	4	64,208	0
Plant & Equipment	5	1,499	1,874
Motor Vehicles	6	36,006	40,007
Buildings Improvements-in-Progress	7	7,211	63,042
TOTAL NON CURRENT ASSETS		108,924	104,923
TOTAL ASSETS		252,614	209,969
LIABILITIES			
CURRENT LIABILITIES			
Charity Funds	8	9,926	8,200
Other Current Liabilities	9	30,457	18,154
TOTAL CURRENT LIABILITIES		40,383	26,354
TOTAL LIABILITIES		40,383	26,354
NET ASSETS		212,230	183,616
ACCUMULATED FUNDS			
Accumulated Surplus brought forward		183,616	173,877
Transfer from Income & Expenditure Account this year		28,615	9,739
TOTAL ACCUMULATED FUNDS		212,230	183,616

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 2019



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 Board 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 Board 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 2019 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) Buildings Improvements, Plant & Equipment, Motor Vehicles are recorded at cost.

PCC does not have a policy on the revaluation of its fixed 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

Assets are depreciated over their useful lives. Depreciation is provided on a reducing balance basis on buildings improvements, on plant & equipment and on motor vehicles at rates calculated to allocate the cost, less estimated residual value at the end of the useful lives of the assets, against revenue over those estimated useful lives.

An asset acquired during the year is depreciated for only the number of days owned in that year and not for a full year as for pre-existing assets.

Incomplete buildings improvements-in-progress at the end of the year are not depreciated.

(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 Board 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 2019

**2. CASH & CASH EQUIVALENTS**

	2019	2018
	\$	\$
BFS 14519 Pathway Chq a/c	11,432.78	2,084
BFS Notice of Withdrawal 17075	42,285.91	41,289
BFS Pathway Operating 17074	70,076.20	48,432
BFS Provisions 17076	13,106.33	0
BFS 16319 LSL Prov A/c	0.00	10,441
Petty Cash	257.60	0
Treasured Float	165.00	0
Debit Card - Load and Go	500	810
TOTAL	137,824	103,057

3. RECEIVABLES

Cash in Transit to Bank	3,932	0
Trade Debtors	0	632
Net GST Receivable	1,935	1,357
TOTAL	5,866	1,989

4. BUILDINGS IMPROVEMENTS

Bldgs Imprvmnts at Cost	64,482	0
Bldgs Imprvmnts Acc Dep	(274)	0
TOTAL	64,208	0

5. PLANT & EQUIPMENT

Plant & Equipment - Cost	2,153	2,153
Less: Accumulated Depreciation	(1,148)	(897)
Furniture & Fittings - Cost	3,656	3,656
Less: Accumulated Depreciation	(3,162)	(3,039)
TOTAL	1,499	1,874

6. Motor Vehicles

Van & Ute - Cost	55,177	55,177
Less: Accumulated Depreciation	(19,170)	(15,170)
TOTAL	36,006	40,007

7. BUILDINGS IMPROVEMENTS-IN-PROGRESS

Work-In-Progress Opening Balance	63,042	-
Work-In-Progress Closing Balance	7,211	63,042
Cost transferred to Buildings Improvements account	(63,042)	-
TOTAL	7,211	63,042

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	3,001	4,818	(3,642)	4,177
Fire Appeal Donations	0	550	0	550
TOTAL	8,200	5,368	(3,642)	9,926

9. OTHER CURRENT LIABILITIES

Trade Creditors	4,039	0
Accrued Expenses	7,551	0
General - Repairs & Improvements	7,000	7,000
Long Service Leave	11,867	11,154
TOTAL	30,457	18,154

PATHWAY COMMUNITY CENTRE INCORPORATED
DETAILED INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019



	2019 \$	2018 \$
Income		
Income		
Donations & Appeals	72,147	54,829
Total Income	72,147	54,829
Other Income		
Interest Income	1,131	1,373
Interest Received	102	0
Other Income [49500]	1,619	2,865
Photocopying [49100]	0	530
Treasured Op Shop Sales	165,665	131,613
Total Other Income	168,517	136,380
Total Income	240,664	191,209
Gross Surplus	240,664	191,209
Operating Expenses		
Community Care		
Community Care [61014]	(1,440)	(3,159)
Total Community Care	(1,440)	(3,159)
Facility Expenses		
Contractor Expenses	(1,253)	0
Leasehold Building Improvement	(102)	0
Rent	(33,000)	(24,000)
Repairs & Maintenance - Facility	(844)	(2,747)
Rubbish Removal	(595)	0
Total Facility Expenses	(35,794)	(26,747)
Utility/Service Expenses		
Cleaning Expenses	(432)	(2,765)
Electricity	(20,438)	(17,083)
Security Expenses	(670)	(355)
Telephone	(1,628)	(1,685)
Total Utility/Service Expenses	(23,167)	(21,888)
Equipment Expenses		
Minor Equipment	(1,064)	(759)
Repairs & Maintenance - Equipment	(2,442)	0
Total Equipment Expenses	(3,506)	(759)
Vehicle Expenses		
Vehicle Expenses	(12,513)	(10,748)
Total Vehicle Expenses	(12,513)	(10,748)
Employment Expenses		
General Prov/Team Retreat	0	0
LSL Provisions	(713)	(3,560)
Staff Training	0	0
Salaries & Wages	(121,480)	(105,546)
Workcover	0	(832)
Total Employment Expenses	(122,193)	(109,937)
Finance & Compliance Expenses		
Audit Fees	(1,300)	(1,300)
Bad Debts	(632)	0
Bank Fees & Charges	147	(91)
Insurance Expense	(1,085)	(3,625)
Total Finance & Compliance Expenses	(2,871)	(5,016)



PATHWAY COMMUNITY CENTRE INCORPORATED
DETAILED INCOME & EXPENDITURE STATEMENT (Cont'd)
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	\$	\$
Program Expenses		
Legal Expenses	(73)	0
Memberships/Subscriptions	(564)	0
Photocopying [61040]	(941)	(903)
Resources / Materials	(416)	0
Stationery & Office Expenses	(327)	(879)
Sundry Costs	0	0
Sundry Expenses	(2,063)	(3,293)
Volunteer Appreciation Expense	(1,530)	(2,916)
Total Program Expenses	(5,915)	(7,991)
Total Operating Expenses	(207,399)	(186,246)
EBITDA	33,265	4,963
Interest Tax Depreciation & Amortisation		
Depreciation		
Depreciation	(4,649)	(4,983)
Total Depreciation	(4,649)	(4,983)
Total Interest Tax Depreciation & Amortisation	(4,649)	(4,983)
Operating Surplus	28,616	(20)
Net Surplus	28,616	(20)


PATHWAY COMMUNITY CENTRE INCORPORATED**STATEMENT BY THE BOARD****FOR THE YEAR ENDED 31 DECEMBER 2019**

The management Board of Pathway Community Centre Incorporated (PCC) has determined that PCC is not a reporting entity. The Board 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 Board 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 2019 and the financial state of PCC as at 31 December 2019 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 **22nd** day of **April 2020**, in accordance with a resolution of the PCC Board.


..... Chair, Board


..... Member, Board

PATHWAY COMMUNITY CENTRE INC.**INDEPENDENT AUDIT REPORT****TO THE MANAGEMENT BOARD OF PATHWAY COMMUNITY CENTRE INC.
AND TO THE CHURCH COUNCIL OF CLOVERCREST BAPTIST CHURCH INC.***Scope**The financial report and Board 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 Board for the financial year ended 31 December 2019.

The management Board 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 Board 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 6 of the financial statements, the financial position of Pathway Community Centre Inc. at 31 December 2019 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 **23rd April 2020**

