

SOUTH PERTH LEARNING CENTRE INC.

SPECIAL PURPOSE FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2020**

SOUTH PERTH LEARNING CENTRE INC.

FINANCIAL REPORT

30 JUNE 2020

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SOUTH PERTH LEARNING CENTRE INC.

STATEMENT BY MEMBERS OF THE COMMITTEE

The Committee has determined that South Perth Learning Centre Inc. 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 financial statements as set out on pages 6 to 13 are in accordance with the requirements of the Associations Incorporation Act 2015 of WA and the Australian Charities and Not-for-profits Commission Act 2012 and:

1. comply with the Australian Accounting Standards applicable to South Perth Learning Centre Inc.;
2. gives a true and fair view of the financial position of South Perth Learning Centre Inc. as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
3. At the date of this statement, there are reasonable grounds to believe that the South Perth Learning Centre Inc. will be able to pay its debts as and when they fall due; and
4. The operations of the Association has been carried out in accordance with its Constitution.

This statement is made in accordance with a resolution of the members of the committee and is signed for and on behalf of the members of the committee by:



CLEMENTINE KOHLER
CHAIRPERSON



JANET RENNER
COMMITTEE MEMBER

DATED THIS 14th DAY OF OCTOBER 2020

SOUTH PERTH LEARNING CENTRE INC.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Income	139,833	157,311
Cost of sales	<u>(73,008)</u>	<u>(95,534)</u>
Gross profit	66,825	61,777
Other income	62,148	41,803
Employee benefits expense	(80,373)	(93,997)
Depreciation	(4,360)	(4,695)
Assets Written off	(26,297)	-
Other expenses	(41,980)	(44,769)
	<hr/>	
Surplus/(deficit) for the year	(24,037)	(39,881)
Other comprehensive income	-	-
	<hr/>	
Total comprehensive income/(loss) for the year	<u>(24,037)</u>	<u>(39,881)</u>

The accompanying notes form part of this financial report.

SOUTH PERTH LEARNING CENTRE INC.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	NOTE	2020 \$	2019 \$
ASSETS			
CURRENT			
Cash and Cash Equivalents	2	99,170	113,050
GST Receivable		4,060	1,626
Trade and Other Receivables	3	<u>12,735</u>	<u>375</u>
		115,965	115,051
NON CURRENT			
Plant & Equipment	4	<u>11,596</u>	<u>42,253</u>
TOTAL ASSETS		127,561	157,304
LIABILITIES			
CURRENT			
Payables	5	14,763	20,768
Provisions	6	<u>1,250</u>	<u>951</u>
TOTAL LIABILITIES		16,013	21,719
NET ASSETS		<u>111,548</u>	<u>135,585</u>
EQUITY			
Member's Equity		60,683	60,683
Retained Earnings		<u>50,865</u>	<u>74,902</u>
TOTAL EQUITY		<u>111,548</u>	<u>135,585</u>

The accompanying notes form part of this financial report.

SOUTH PERTH LEARNING CENTRE INC.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Member's Equity \$	Retained Earnings \$	Total Equity \$
Balance as at 1 July 2018	60,683	114,783	175,466
Surplus/(Deficit) for the year	-	(39,881)	(39,881)
Balance as at 30 June 2019	<u>60,683</u>	<u>74,902</u>	<u>135,585</u>
Surplus/(Deficit) for the year	-	(24,037)	(24,037)
Balance as at 30 June 2020	<u>60,683</u>	<u>50,865</u>	<u>111,548</u>

SOUTH PERTH LEARNING CENTRE INC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities:			
Receipts from memberships and courses		159,988	176,826
Receipts from grants		5,000	14,755
Payments to suppliers and employees		(207,615)	(226,537)
Interest Received		746	1,838
Other Income		44,805	24,835
GST received/(paid)		(16,804)	(17,172)
Net cash provided by/(used in) operating activities	7 (b)	(13,880)	(25,455)
Cash flows from investing activities:			
Payments to acquire furniture, fixtures & equipment		-	-
Net cash provided by/(used in) investing activities		-	-
Net increase (decrease) in cash held		(13,880)	(25,455)
Cash and cash equivalents at beginning of financial year		113,050	138,505
Cash and cash equivalents at end of financial year	7 (a)	99,170	113,050

The accompanying notes form part of this financial report.

SOUTH PERTH LEARNING CENTRE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Committee has prepared the financial statements on the basis that South Perth Learning Centre Inc. is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Associations Incorporation Act 2015 of WA* and the *Australian Charities and Not-for-profits Commission Act 2012*. The Council is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the requirements of the following mandatory Australian Accounting Standards and the significant accounting policies disclosed below, which the Board has determined are appropriate to meet the needs of members.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historic costs and do 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 stated otherwise, have been adopted in the preparation of these financial statements:

(a) PROPERTY, PLANT & EQUIPMENT

The depreciable amount of all property, plant and equipment is depreciated over the useful lives of the assets to South Perth Learning Centre Inc. commencing from the time the asset is held ready for use. The rates of depreciation range from 10% to 100%. Assets less than \$5,000 at the time of acquisition are expensed.

(b) IMPAIRMENT OF ASSETS

At the end of each reporting period, the association reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the statement of comprehensive income.

SOUTH PERTH LEARNING CENTRE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) EMPLOYEE PROVISIONS

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

(d) REVENUE

Revenue is measured at the fair value of the consideration received or receivable.

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

Grants received in advance are reported in the statement of financial position.

Interest revenue is recognised when earned.

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

(e) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(f) INCOME TAX

Under the provision of the current income tax legislation, the Centre is exempt from income tax.

(g) COMPARATIVE FIGURES

When necessary, comparative figures have been adjusted to conform to changes in the presentation for the current financial year.

(h) ROUNDING

All figures shown in this financial report are rounded to the nearest dollar.

SOUTH PERTH LEARNING CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
2. CASH AND CASH EQUIVALENTS		
Cheque Account	19,520	34,136
Term Deposit Account	77,460	76,714
Debit Card	1,753	2,000
Cash on Hand	417	-
Petty Cash	<u>20</u>	<u>200</u>
	99,170	113,050
3. TRADE AND OTHER RECEIVABLES		
Trade Debtors	899	-
ATO Integrated Account	11,461	-
Sundry Receivable	<u>375</u>	<u>375</u>
	12,735	375
4. PLANT & EQUIPMENT		
Plant & Equipment at cost	15,956	70,578
Less: Accumulated Depreciation	<u>(4,360)</u>	<u>(28,325)</u>
	11,596	42,253
5. PAYABLES		
Accounts Payable	676	9,391
Prepaid Income	2,132	-
PAYG Withholding Tax	4,883	7,305
Superannuation Liability	2,021	2,272
Room Hire Key Bond	50	-
ABN Withholding	-	-
Course Credits	137	-
Grant Liability for Acquittal	763	-
Accrued Expenses	<u>4,101</u>	<u>1,800</u>
	14,763	20,768
6. PROVISIONS		
CURRENT		
Annual Leave Provision	<u>1,250</u>	<u>951</u>

SOUTH PERTH LEARNING CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
7. CASH FLOWS INFORMATION		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:		
Cash and cash equivalents	<u>99,170</u>	<u>113,050</u>
(b) Reconciliation of cash flows from operations with surplus from ordinary activities		
Surplus /(Deficit) from ordinary activities	(24,037)	(39,881)
Non-cash flows in profit from ordinary activities:		
Depreciation	4,360	4,695
Assets written off	26,297	-
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(12,360)	(375)
Increase/(decrease) in GST payable	(2,434)	(3,186)
Increase/(decrease) in trade and other payables	(6,005)	12,341
Increase/(decrease) in provisions	<u>299</u>	<u>951</u>
Cash flows provided by operations	<u>(13,880)</u>	<u>(25,455)</u>

8. CONTINGENT LIABILITIES

There was no contingent liability existent as at the reporting date.

9. EVENTS AFTER THE REPORTING DATE

There was no event between the reporting date and the date of signing this report, which would otherwise have materially affected the reporting figures.

SOUTH PERTH LEARNING CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2020
\$

2019
\$

10. ASSOCIATION DETAILS

The registered office and principal place of business of the association is:

Lower Level
Below South Perth Civic Centre
Cnr South Terrace & Sandgate Street
South Perth WA 6151

SOUTH PERTH LEARNING CENTRE INC.

**INCOME AND EXPENDITURE STATEMENT - DETAIL
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
INCOME		
MEMBERSHIP		
Full Annual membership	9,345	12,840
Concessional Annual Membership	2,582	327
Full Term Membership	3,160	4,260
COURSES		
Arts & Creative Pursuits	30,724	28,553
Club Activities	18,314	23,563
Talks and Lifestyle	1,756	8,236
Outings	-	150
Languages	66,408	60,396
Gardening Income	59	-
Kitchen Demonstrations	1,805	2,940
Computing	432	3,310
Health & Wellness	<u>5,248</u>	<u>12,736</u>
TOTAL INCOME	139,833	157,311
COST OF SALES		
Arts & Creative Pursuits	18,399	23,882
Club Activities	3,690	7,683
Talks and Lifestyles	1,360	5,989
Languages	43,971	41,647
Kitchen Demonstrations	918	1,499
Computing	1,190	2,400
Health & Wellness	3,480	11,370
Volunteers' Expenses	-	400
Course Credits (not refunds)	<u>-</u>	<u>664</u>
TOTAL COST OF SALES	73,008	95,534
GROSS PROFIT	66,825	61,777

SOUTH PERTH LEARNING CENTRE INC.

**INCOME AND EXPENDITURE STATEMENT - DETAIL
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
GROSS PROFIT	66,825	61,777
OVERHEAD EXPENSES		
Accounting and Audit Fees	1,827	4,993
Advertising	320	249
Annual Leave Provision expense	299	951
Asset Acquisitions Under \$5,000	6,203	-
Bad Debts	90	-
Bank Charges	10	912
Cleaning	3,328	3,552
Computer Expenses	48	28
Conferences & Training	71	40
Consulting	605	4,975
Depreciation	4,360	4,695
Internet Expenses	429	81
EFTPOS Merchant Fees	2,395	2,005
Kitchen Supplies	1,531	3,468
Insurance	3,628	4,603
Professional Subscriptions	100	159
Postage	247	685
Program	-	6,849
Meetings/AGM	-	203
Motor Vehicle Expenses	-	289
Software	7,513	-
Stationery Supplies & Printing	3,300	5,031
Repairs & Maintenance	-	337
Enrolment Expenses	-	145
Superannuation	6,865	8,072
Wages & Salaries	73,508	84,974
Website hosting	88	514
Workers' Compensation	-	20
Volunteer Expenses	-	45
Telephone Costs	3,031	2,121
Utilities	<u>2,115</u>	<u>1,749</u>
TOTAL EXPENSES	121,911	141,745
OPERATING PROFIT/(DEFICIT)	(55,086)	(79,968)

SOUTH PERTH LEARNING CENTRE INC.

**INCOME AND EXPENDITURE STATEMENT - DETAIL
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
OPERATING PROFIT/(DEFICIT)	(55,086)	(79,968)
OTHER INCOME		
COVID-19 Jobkeeper Wage Subsidy	6,000	-
COVID-19 Cash Flow Boost	14,887	-
Donations	4,032	64
Events	-	115
Fundraising	-	244
Korean Language & Cultural Ed	-	2,470
School of Philosophy WA Inc	-	3,933
Room Hire	32,085	18,384
Grants	4,237	14,755
Miscellaneous Other Income	161	-
Interest Received	746	1,838
TOTAL OTHER INCOME	62,148	41,803
OTHER EXPENSES		
Assets written off	26,297	-
Events	284	418
Fundraising	-	299
Grants/Donations	-	120
Miscellaneous Expenses	4,518	879
TOTAL OTHER EXPENSES	31,099	1,716
NET INCOME/(DEFICIT)	<u>(24,037)</u>	<u>(39,881)</u>