

Community Northern Beaches Incorporated
Board's Report
for the year ended 30 June 2023

The Board presents this report of the financial affairs of Community Northern Beaches Incorporated for the year ended 30 June 2023.

Board Members

Kandy Tagg, Sally Cornelius, Caroline Pearce, Bill Barnes, Peter Wood, Phyl Jelinek, Chris Lake, Clive Bailey. Public Officer: Adele Heasman

Net Surplus/Deficit

The outcome for the year ended 30 June 2023 was a deficit of \$313,427 (2022: surplus \$27,996).

Significant changes in state of affairs

While there has been no significant change to our main funding there has been considerable change to discretionary funding. Financial reserves have been depleted to help cover income shortfalls. A number of staff have completed in excess of five years of service and this has required a provision to cover a potential future Long Service Leave liability.

Principal activities

The principal activity of the Association during the course of the year was: "To provide a wide range of community services to members of the Association and to the general public." There have been no significant changes in the nature of this activity during the year.

Post Balance Sheet date events

No known matters have arisen since the end of the financial year which do or may significantly affect the Association's operations, its results or the state of its affairs in future years.

Future developments

The Association expects to maintain the present status and level of operations provided funding remains available. Our NSW Government program funding is secure until June 2025. The funding arrangement with Settlement Services International runs until June 2024.

Auditors Independence Declaration

Section 307C of the Corporations Act 2001 requires the Association's auditors, Shuriken Consulting Manly Pty Ltd, provide the Board with an Independence Declaration in relation to the review of the financial statements. The Independence Declaration forms part of the financial statements.

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



Kandy Tagg
Chair



Bill Barnes
Treasurer

Dated this 26TH day of OCTOBER 2023

Community Northern Beaches Incorporated
Board's Report
for the year ended 30 June 2023

The Board has determined that the Association is not a reporting entity. The Board has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 of the financial statements.

The Board hereby declares that the accompanying financial statements and notes of the Association as at 30 June 2023:

- a) present fairly the Association's financial position as at 30 June 2023 and its performance for the year ended on that date in accordance with the accounting policies as detailed in Note 1 of the financial statements;
- b) comply with Australian accounting standards as detailed in Note 1 of the financial statements and the Corporations Act 2001 and the Corporations Regulations 2001; and
- c) there are reasonable grounds to believe that the Association will be able to meet its debts as and when they become payable.

The Board further declares that:

- a) the Income and Expenditure statement gives a true and fair view of all income and expenditure of the organisation with respect to fundraising; and
- b) the Balance Sheet gives a true and fair view of the state of affairs of the organisation with respect to fundraising conducted by the organisation; and
- c) the provisions of the *Charitable Fundraising Act 1991* and the *Charitable Fundraising Regulation 2015* and the conditions attached to the fundraising authority have been complied with by the organisation; and
- d) the internal controls exercised by the organisation are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising.

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



Kandy Tagg
Chair



Bill Barnes
Treasurer

Dated this 26th day of OCTOBER 2023

Community Northern Beaches Incorporated

Income & Expenditure for the year ended 30 June 2023 ABN: 77 721 844 221

	2023	2022
Income		
Income	787,935	857,642
Total Income	787,935	857,642
Expenses		
Wages	790,291	757,443
Superannuation	79,851	76,327
Provision for Lease Renewal	-	12,782
Provision for Annual Leave	94,721	20,697
Provision for Long Service Leave	48,050	-
Provision for Building Maintenance	-	(38,063)
Provision for Loss of Funding	-	(220,000)
Provision for Extraordinary Events	-	-
All other expenses	88,449	220,459
Total Expenses	1,101,362	829,646
Surplus/Deficit for the year	(313,427)	27,996
Surplus/Deficit brought forward	182,820	154,824
Surplus/Deficit Carried Forward	(130,607)	182,820

These financial statements should be read in conjunction with the accompanying notes and the attached audit report.

Community Northern Beaches Incorporated

Balance Sheet

for the year ended 30 June 2023

ABN: 77 721 844 221

	2023	2022
Current Assets		
Cash & Cash Equivalents (see note 2)	132,158	405,670
Trade and Other Receivables (see note 3)	20,095	8,555
Total Current Assets	<u>152,253</u>	<u>414,225</u>
Non Current Assets		
Property, Plant & Equipment (see note 4)	-	-
Total Non Current Assets	<u>-</u>	<u>-</u>
Total Assets	<u>152,253</u>	<u>414,225</u>
Current Liabilities		
Trade & Other Payables (see note 5)	140,089	110,870
Provisions (see note 6)	142,771	120,535
Total Current Liabilities	<u>282,860</u>	<u>231,405</u>
Total Liabilities	<u>282,860</u>	<u>231,405</u>
Net Assets	<u>(130,607)</u>	<u>182,820</u>
Equity		
Retained Surplus/Deficit	(130,607)	182,820
Accumulated Funds	<u>(130,607)</u>	<u>182,820</u>

These financial statements should be read in conjunction with the accompanying notes and the attached audit report.

Community Northern Beaches Incorporated

Statement of Cash Flows

for the year ended 30 June 2023

ABN: 77 721 844 221

	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from Federal, State and Local government	570,225	526,643
Receipts from grants	0	6,696
Receipts from donations and membership fees	149,745	114,210
Receipts from venue hire	65,357	81,246
Interest received	2,608	1,433
Other income	0	127,414
Payments to employees	(870,142)	(833,771)
Payments to suppliers	(191,305)	(412,193)
Net cash provided by Operating Activities	(273,512)	(388,321)
 CASH FLOW FROM INVESTING ACTIVITIES		
Receipts from debtors	0	0
Payments to creditors	0	0
Payments for property, plant and equipment	0	0
Net Cash provided by Investing Activities	0	0
 CASH FLOW FROM FINANCING ACTIVITIES		
Nil	0	0
 SUMMARY		
Net increase in cash held	(273,512)	(388,322)
Cash at the beginning of the financial year	405,670	793,992
Cash at the end of the financial year	<u>132,158</u>	<u>405,670</u>

These financial statements should be read in conjunction with the accompanying notes and the attached audit report.

Community Northern Beaches Incorporated

Statement of Changes in Equity

for the year ended 30 June 2023

ABN: 77 721 844 221

	RESERVES	TOTAL
Balance as at 1 July 2021	154,824	154,824
Profit attributed to the members of the company	27,996	27,996
Balance as at 30 June 2022	<u>182,820</u>	<u>182,820</u>
Balance as at 1 July 2022	182,820	182,820
Profit attributed to the members of the company	(313,427)	(313,427)
Balance as at 30 June 2023	<u>(130,607)</u>	<u>(130,607)</u>

These financial statements should be read in conjunction with the accompanying notes and the attached audit report.

Community Northern Beaches Incorporated

Income & Expenditure for the year ended 30 June 2023 ABN: 77 721 844 221

	2023	2022
Income		
Funding (see note 7)	570,225	526,643
Grants (see note 8)	-	6,696
Donations (see note 9)	149,745	114,210
Venue Hire (see note 10)	65,357	81,246
Interest Received (see note 11)	2,608	1,433
Other Income (see note 12)	-	127,414
Total Income	787,935	857,642
Cost of Services		
Community Services		
Homeless Services	148,514	179,966
Community Services	45,302	62,200
Family, Child & Youth Services	89,598	100,150
Multicultural Services	179,270	201,074
Welfare & DFV Services	81,835	176,525
Volunteers Program	93,430	48,210
Domestic & Family Violence	575	-
RMS Road Safety	-	(85)
Community Engagement	55,269	64,791
Motor Vehicle	2,589	-
Love Bites	5,400	2,951
Venue Management	-	28,146
Total Community Services	701,782	863,928
Total Cost of Services	701,782	863,928
Gross Surplus/Deficit	86,153	(6,286)

These financial statements should be read in conjunction with the accompanying notes and the attached audit report.

Community Northern Beaches Incorporated

Income & Expenditure for the year ended 30 June 2023 ABN: 77 721 844 221

	2023	2022
Expenses		
Head Office Expenses		
Administration	20,286	24,814
Banking	1,371	389
Insurances	29,731	17,584
Telecommunication	5,518	5,157
Technical	7,312	5,727
Operating	17,221	7,323
Marketing	4,832	356
Occupation	17,777	53,406
Payroll	218,066	-
North Head Properties	-	61,863
Realised Currency Gains	-	71
Total Head Office Expenses	322,114	176,689
Other Expenses and Provisions		
Extraordinary Expenses	-	13,614
Provision for Annual Leave	29,416	20,697
Provision for Long Service Leave	48,050	-
Provision for Loss of Funding	-	(220,000)
Provision for Lease Renewal	-	12,782
Provision for Building Maintenance	-	(38,063)
Total Other Expenses and Provisions	77,466	(210,970)
Total Expenses	399,580	(34,281)
Surplus/Deficit for the year	(313,427)	27,996
Surplus/Deficit brought forward	182,820	154,824
Surplus/Deficit Carried Forward	(130,607)	182,820

These financial statements should be read in conjunction with the accompanying notes and the attached audit report.

Community Northern Beaches Incorporated

Notes to the Financial Statements for the year ended 30 June 2023

ABN: 77 721 844 221

1. Statement of significant accounting policies

This financial report has been prepared for the use by the Board and members of the Centre and is a special purpose financial report. The Board has determined that Community Northern Beaches is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian 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

This report is also prepared on an accruals basis and is based on historical costs and except where stated does not take into account changing values or current valuations on non current assets. The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report for Community Northern Beaches Incorporated:

a) Cash & Cash Equivalent

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of six months or less.

b) Property, Plant & Equipment

Property, plant and equipment, other than freehold land, is depreciated over the estimated useful life of each asset. The estimated balance of the useful life of assets is reviewed at least every three years or as required.

Related Party Transactions

There were no Related Party transactions.

Remuneration or Benefit Received by the Board

Other than reimbursement of reasonable out-of-pocket expenses there was no remuneration or benefit received by the Board

These notes should be read in conjunction with the attached audit report

Community Northern Beaches Incorporated

Notes to the Financial Statements

for the year ended 30 June 2023

ABN: 77 721 844 221

	2023	2022
2. Cash & Cash Equivalents		
Bank - Operating WBC335	117,468	39,326
Bank - Debit Card WBC327	880	1,020
Bank - Cash Reserve WBC655	3,423	2
Paypal	10,387	2,000
Term Deposit - WBC908	-	43,948
Term Deposit - WBC824	-	200,916
Term Deposit - BEN943	-	118,458
(a)	<u>132,158</u>	<u>405,670</u>
3. Current Trade and Other Receivables		
Trade Debtors	11,667	2,569
Prepayments - Insurance	7,945	5,708
Prepayments - Sundry	483	278
	<u>20,095</u>	<u>8,555</u>
4. Property, Plant & Equipment		
Office Equipment @ Cost	50,804	50,804
less: Accumulated Depreciation	<u>(50,804)</u>	<u>(50,804)</u>
	<u>-</u>	<u>-</u>
5. Current Trade & Other Payables		
Trade Creditors	5,395	24,708
GST Liabilities	3,355	18,452
Accruals	13,000	64,420
Bonds & Deposits	1,547	-
Novated Lease	(676)	(676)
Unearned Income	117,468	3,966
	<u>140,089</u>	<u>110,870</u>
6. Current Provisions		
Provision - Lease (renewal/termination costs)	(b) -	37,782
Provision - Leave Entitlements (annual leave)	94,721	82,753
Provision - Leave Entitlements (long service leave)	(c) 48,050	-
	<u>142,771</u>	<u>120,535</u>

(a) This reduction in cash reserves of \$273k is a consequence of previous years' Provisions being utilised for the purposes they were provided for. In 2023 CNB embarked upon a program of stabilisation and financial security and it is envisaged that a continuation of this work in 2024 will orientate our activities towards long-term sustainability. We are hopeful that financial reserves can again be built up to help weather future challenges.

(b) This Provision was retired to assist cover cash flow shortfalls.

(c) This is a new Provision acknowledging a potential future Long Service Leave liability.

These notes should be read in conjunction with the attached audit report

Community Northern Beaches Incorporated

Notes to the Financial Statements

for the year ended 30 June 2023

ABN: 77 721 844 221

	2023	2022
7. Funding Income		
NSW Department of Communities & Justice	284,823	269,975
SSI Community Services	177,381	129,464
SSI Community Capital Building	5,021	5,290
SSI Settlement Innovation Fund	6,000	1,403
SSI Domestic & Family Violence	-	24,767
Northern Beaches Council	97,000	95,745
	<u>570,225</u>	<u>526,643</u>
8. Grants Income		
StreetSmart	-	1,500
Balgowlah Building Blocks	-	5,196
	<u>-</u>	<u>6,696</u>
9. Donations Income		
Membership Fees	400	640
Donations Stream I	44,747	9,127
Donations Stream II	71,290	-
Donations for Programs - Homeless Services	-	24,101
Donations for Programs - Multicultural Services	-	2,000
Donations for Programs - Welfare & DV	-	20,101
Donations for Programs - Youth Services	-	1,358
Donations for Programs - Womens Shelter	3,182	-
Donations for Programs - Women & Children Violence	4,687	-
Donations for Programs - LoveBites	-	9,000
Donations for Programs - Corporate	2,210	8,485
Donations for Programs - Larapinta	-	558
Donations for Programs - Adventure Challenge 'Cape to Cape'	6,692	705
Donations for Programs - Adventure Challenge 'Red Centre'	-	18,925
Donations for Programs - Thomas Ware Foundation	-	19,209
Donations for Programs - Dee Why RSL Community Garden	1,100	-
Donations for Programs - Westfields Local Hero	4,250	-
Donations for Programs - Manly Fun Run	8,884	-
Donations for Programs - Pittwater RSL Emergency Support	728	-
Donations for Programs - Harbord Diggers Pilu Event	1,364	-
Donations for Programs - Beach 2 Beach	211	-
	<u>149,745</u>	<u>114,210</u>

These notes should be read in conjunction with the attached audit report

Community Northern Beaches Incorporated

Notes to the Financial Statements

for the year ended 30 June 2023

ABN: 77 721 844 221

	2023	2022
10. Venue Hire Income		
Venue Hire Hall	-	16,565
Accommodated Services	33,243	57,146
Venue Hire - Brookvale	12,048	6,364
Venue Hire - Manly	20,066	1,171
	<u>65,357</u>	<u>81,245</u>
11. Interest Income		
Term Deposit - BEN843	-	442
Term Deposit - WBC824	-	512
Term Deposit - WBC531	-	374
Term Deposit - WBC327	1,680	-
Term Deposit - WBC908	82	77
Term Deposit - WBC655	846	28
	<u>2,608</u>	<u>1,433</u>
12. Other Income		
Aust Govt Jobkeeper Subsidy	-	19,200
Service NSW Covid Business Grant	-	15,000
Service NSW Job Saver	-	93,214
	<u>-</u>	<u>127,414</u>

These notes should be read in conjunction with the attached audit report

**COMMUNITY NORTHERN BEACHES INCORPORATED
INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
COMMUNITY NORTHERN BEACHES INCORPORATED**

We have audited the attached financial report, being a special purpose financial report of Community Northern Beaches Incorporated (the Association), which comprises the Committee's report, the Statement by the Management Committee, the Balance Sheet as at 30 June 2023, the Income and Expenditure Account, Statement of Cash Flows and Statement of Equity for the year then ended and the notes to the financial report.

Committee's Responsibility for the Financial Report

The Management Committee of the Association is responsible for the preparation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the needs of members and also the Association's constitution. The Management Committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation 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 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 in 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 of the financial report that gives a true and fair view, 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 Management Committee, as well as 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.



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Audit Opinion

In our opinion, the financial report presents fairly, in all material aspects, the financial position of Community Northern Beaches Incorporated as at 30th June 2023 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to the fact that the financial report has been prepared to assist the Association to meet the requirements of the Community Northern Beaches Incorporated's Constitution. As a result, the financial report may not be suitable for any other purpose.

Peter Jackson
Chartered Accountant and Registered Auditor

Dated this 26th day of October 2023



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**AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

To the Management Committee of Community Northern Beaches Incorporated:

I declare that, to the best of my knowledge and belief, in relation to the audit of Community Northern Beaches Incorporated for the year ended 30th June 2023 there have been;

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

P Jackson

Peter Jackson
Chartered Accountant and Registered Auditor

Dated this *26th* day of *October* 2023