

**Blackheath Area Neighbourhood
Centre Inc ABN 83 058 109 149**

Financial Statements
For the year ended 30 June 2021

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Board Report
For the year ended 30 June 2021

Your Board members submit the financial accounts of the Blackheath Area Neighbourhood Centre Inc. ("BANC") for the financial year ended 30 June 2021.

Board Members

The names of Board members at the date of this report are:

Michael Brogan - President
Johnneen Hibbert - Vice President
Bronwen Stinson - Secretary
Yuliya Mann - Treasurer
Henry Lebovic
Jennifer Kelly
Kathleen Chirgwin
Gary Moore
Christine Wheeler (appointed May 2021)
Roger Butterworth (resigned October 2020)

Principal Activities

The principal activities of the association during the financial year were: support local community projects.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The profit from ordinary activities amounted to

Year ended 30 June 2021	Year ended 30 June 2020
\$	\$
102,129	147,469

During the 2020 financial year the association experienced changes to the provision of client services and internal operations due to the impact of the coronavirus ("COVID-19") pandemic. The impact of COVID-19 is unprecedented and has a profound impact on charities and Not-for-profit organisations both financially and operationally. The first confirmed case in Australia of COVID-19 was identified in January 2020 and resulted in induced lockdown in NSW in March 2020 due to public health orders.

The lockdown and pandemic negatively impacted attendance at vacation care centres during this period which resulted in the Australian Government intervening.

On 30 March 2020, the Government announced The JobKeeper Payment subsidy for eligible businesses. This was paid by the Government to BANC for each eligible employee. No BANC employees were made redundant during the 20FY or 21FY and service delivery/support was maintained.

**Board Report
For the year ended 30 June 2021**

On 2 April 2020, the Government announced new funding arrangements for the early childhood education and care (ECEC) sector in response to the coronavirus (COVID-19) pandemic and its impact on child care enrolments and attendance. The new arrangements made child care services fee-free for families. The changes took effect on 6 April 2020 and remained in place until 12 July 2020. Under the new arrangements the CCS system was suspended and BANC received a weekly Early Childhood Education and Care Relief Package payment.

On 21 July 2020, the Government announced the extension of the JobKeeper Payment for a further six months until 28 March 2021. BANC continued receive the JobKeeper payment subsidy during this time.

NDIS services were impacted during this time but where possible client services continued remotely via an online interface, home visits or by telephone.

The association received \$100,000 of Commonwealth Government support by way of Cash Flow Boost incentives including in operating profit in the 20FY.

After Balance Date Events

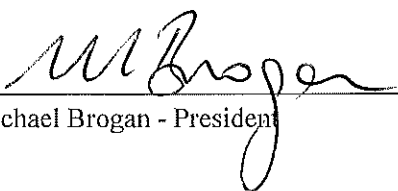
The COVID19 pandemic continued to impact New South Wales businesses post year-end and during July 2021 a COVID-19 lockdown was enforced across Greater Sydney and extended until the end of September 2021. At the date of signing of this financial report there is still significant uncertainty over how the outbreak and lockdown will impact the domestic economy, however, as at the date of signing of the financial report BANC have continued provision of its operations.

Apart from the matter noted above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in subsequent financial years.


Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not for Profits Commission Act 2012 has been included.

Signed in accordance with a resolution of the Members of the Board on this 6th day of September 2021:



Michael Brogan - President



Yuliya Mann - Treasurer

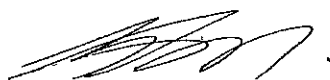
Blackheath Area Neighbourhood Centre Inc ABN 83 058 109 149

Auditor's Independence Declaration

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been :

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Signed on this 6th day of September 2021.



William Tomiczek & Associates

William Tomiczek, F.I.P.A., Registered Company Auditor 1425
66 Emu Plains Road, Mount Riverview NSW 2774

Blackheath Area Neighbourhood Centre Inc

41 Gardiner Crescent
Blackheath

ABN: 83 058 109 149

Profit & Loss [Last Year Analysis]

July 2020 To June 2021

	This Year	Last Year
INCOME		
Continuity of Support - DOH	\$61,463	\$106,927
BANC - FACS Community Builders	\$201,705	\$196,369
NILS - Grant	\$52,537	\$50,618
NILS Good Shepherd	\$5,000	\$5,000
BOOSH DET Special Needs (ISS)	\$7,504	\$9,460
NSW Dept Edn ECEC -Vac Care	\$6,193	\$5,069
Vacation Care - BMCC	\$4,250	\$12,750
HACC - KNC Connecting Our Comm	\$27,609	\$26,614
Minor Grants	\$26,409	\$33,407
Project & Other Income		
Bank Interest	\$0	\$3,944
Dividends	\$70	\$0
Contributions & Donations		
Donations	\$9,780	\$4,006
Client Contribution	\$6,314	\$6,480
CDW Craft Markets	\$950	\$0
Client Travel	\$2,199	\$9,050
Office Services	\$0	\$49
Photocopying	\$1,374	\$3,465
Room Use	-\$198	\$3,261
Tel / Fax / IT	\$1	\$12
General Fundraising	\$500	\$0
Total Contributions & Donations	\$20,919	\$26,322
BANC Access Project Income		
National Disability Insurance	\$646,629	\$582,601
NDIA Financial Intermediary	\$196,755	\$172,339
Total BANC Access Project Income	\$843,383	\$754,940
BOOSH Project Income		
BOOSH Family Pays	\$75,493	\$55,883
Boosh Fam Pays - exc/activity	\$0	\$3,390
BOOSH CCS Childcare Subsidy	\$76,682	\$59,309
CCS Child Care Relief	\$7,457	\$12,600
Total BOOSH Project Income	\$159,632	\$131,182
Community Development		
BMCC Hall Booking Contribution	\$2,600	\$2,600
B/heath School For Seniors Act	\$0	\$2,038
Total Community Development	\$2,600	\$4,638
General		
JobKeeper Subsidy (No GST)	\$378,600	\$189,000
Cash Flow Boost ATO	\$0	\$100,000
Miscellaneous Income	\$1,166	\$1,549
Workers Comp Recoveries	\$0	\$5,237
Total General	\$379,766	\$295,786
Total Project & Other Income	\$1,406,370	\$1,216,813
Total INCOME	\$1,799,040	\$1,663,027
Total COST OF SALES	\$0	\$0
Gross Profit	\$1,799,040	\$1,663,027
EXPENSES		

This report includes Year-End Adjustments.

Blackheath Area Neighbourhood Centre Inc

41 Gardiner Crescent
Blackheath

ABN: 83 058 109 149

Profit & Loss [Last Year Analysis]

July 2020 To June 2021

	This Year	Last Year
Administration		
Admin & Premises	\$3,407	\$5,360
Advertising	\$3,493	\$2,819
Audit Fee	\$10,200	\$6,000
Audit - Other	\$4,065	\$5,198
Bad Debts	\$3,938	\$3
Bank Fees & Charges	\$717	\$472
Cleaning/Hygiene and Safety	\$9,959	\$2,580
Computer S/Ware Licencing etc.	\$3,863	\$11,252
Depreciation	\$3,023	\$2,673
IT - Support	\$11,403	\$9,281
Management Committee	\$575	\$655
Memberships & Subs	\$12,693	\$3,307
Miscellaneous	\$1,094	\$0
Office Supplies	\$5,942	\$5,572
Equipment <\$1000	\$22,266	\$3,496
Photocopier	\$0	\$13,299
Printing	\$13,667	\$2,552
Postage	\$377	\$303
Rubbish removal	\$721	\$85
Volunteer Expenses	\$3,700	\$289
WEB Site - expenses	\$1,608	\$2,136
Write Off's	\$0	\$15,044
Total Administration	\$116,711	\$92,376
Contractors & Consultants		
Bookkeeping services	\$58,273	\$0
Consulting Expenses - contract	\$3,160	\$9,250
Building & Garden Maintenance	\$6,401	\$10,345
Insurance	\$14,026	\$16,247
Total Contractors & Consultants	\$81,859	\$35,842
Rent & Utilities		
Gas / Elect / Utilities	\$7,292	\$11,730
Rent	\$16,801	\$18,454
Telephone / Internet	\$13,396	\$11,030
Total Rent & Utilities	\$37,490	\$41,214
Project Expenses		
Client - Sundries/oncosts	\$546	\$91
Client - Activities/Therapy	\$5,442	\$11,505
Travel, Meals & Accom Exp's	\$278	\$4,329
Catering	\$9,833	\$7,794
Emergency Family Assistance	\$0	\$5
Activities & Resources	\$24,932	\$42,376
Excursions/Incursions	\$2,128	\$2,968
Newsletter	\$243	\$0
Project Admin Fee	\$510	\$0
BOOSH fees waived	\$5,014	\$12,419
Provision Adjustment	\$0	-\$23,340
Total Project Expenses	\$48,926	\$58,146
Vehicle Expenses		
AY85CQ -Toyota W/Chair Bus	\$2,947	\$2,559
BZ65CT - Toyota Hiace Commute	\$0	\$2,258
BE69RR - Toyota Hiace	\$0	\$994

This report includes Year-End Adjustments.

Blackheath Area Neighbourhood Centre Inc

41 Gardiner Crescent
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ABN: 83 058 109 149

Profit & Loss [Last Year Analysis]

July 2020 To June 2021

	This Year	Last Year
CR69HO Mitsubishi ASX	\$7,527	\$7,312
CR80HR Mitsubishi ASX	\$6,838	\$7,561
CV53JT Toyota Hiace	\$14,235	\$9,791
CV54JT Toyota Hiace	\$13,711	\$9,856
Vehicle Miscellaneous	\$1,870	\$229
Total Vehicle Expenses	\$47,129	\$40,560
Wages		
Wages & Salaries	\$1,089,829	\$1,012,396
Wages- First Aid Allowance	\$11,480	\$10,410
Wages- On Call Allowance	\$8,966	\$5,700
Wages- Broken Shift Allowance	\$2,847	\$1,892
Wages- Annual / Sick Leave	\$84,483	\$66,205
Wages- Long Service Leave	\$13,476	\$7,529
Wages- Motor Vehicle Allowance	\$26,961	\$19,927
Wages - Workers Comp	\$0	\$5,381
Total Wages	\$1,238,042	\$1,129,439
Leave Accrual Adjustment	-\$15,371	\$12,325
Superannuation	\$109,562	\$102,999
Workers' Compensation	\$23,786	\$20,554
Other Employment		
Staff Development & Training	\$5,571	\$3,047
Other Employment Expenses	\$3,238	\$886
Staff Amentities & Services	\$1,477	\$1,013
Misc Staff gifts	\$126	\$359
Total Other Employment	\$10,412	\$5,304
Total EXPENSES	\$1,698,546	\$1,538,759
Operating Profit	\$100,494	\$124,269
OTHER INCOME		
Administration Transfer	\$109,942	\$124,050
Bank Interest	\$1,635	\$0
Gain on Disposal of Asset	\$0	\$23,200
Total OTHER INCOME	\$111,576	\$147,250
OTHER EXPENSES		
Administration Transfer	\$109,942	\$124,050
Total OTHER EXPENSES	\$109,942	\$124,050
Net Profit/(Loss)	\$102,129	\$147,469

This report includes Year-End Adjustments.

Blackheath Area Neighbourhood Centre Inc

41 Gardiner Crescent
Blackheath

ABN: 83 058 109 149

Balance Sheet [Last Year Analysis]

June 2021

	This Year	Last Year
ASSETS		
Current Assets		
Bank Accounts		
Bendigo Bank - Main Account	\$650,507	\$284,566
Bendigo Bank - Debit Card	\$2,647	\$2,080
Bendigo Bank - NILS Account	\$78,992	\$78,670
Commonwealth Bank - Deposits	\$11,881	\$7,491
ING Business Optimiser	\$373	\$373
Undeposited Funds	\$360	\$984
Electronic Banking	-\$19,013	\$0
Total Bank Accounts	\$725,748	\$374,163
Term Deposits		
Bendigo Bank Shares	\$1,000	\$1,000
T/Deposit 2501 - Leave Provn	\$152,614	\$152,614
T/Deposit 2505 - NILS	\$10,000	\$10,000
Total Term Deposits	\$163,614	\$163,614
Accrued Interest		
	\$0	\$743
Cash Floats		
Cash Float - BANC	\$50	\$50
Cash Float - CAS	\$117	\$500
Float - BMCC Hall Bookings	\$50	\$50
Total Cash Floats	\$217	\$600
Total Current Assets	\$889,578	\$539,120
Other Financial Assets		
Accounts Receivable		
Debtors	\$15,007	\$22,845
Provn Doubtful Debts	-\$4,819	-\$4,819
NILS Loans Outstanding	\$189	\$449
Debtors - BOOSH (Family Pays)	\$9,152	-\$198
Less: BOOSH/VAC D/Debt provn	-\$1,056	-\$1,056
Total Accounts Receivable	\$18,472	\$17,220
Other Current Assets		
Reimbursements Due	\$0	\$794
Accrued Income	\$77,580	\$141,560
Total Other Current Assets	\$77,580	\$142,354
Bonds		
Bond - 110 Wentworth Street	\$1,000	\$1,000
Bond - Storage Unit	\$176	\$176
Total Bonds	\$1,176	\$1,176
Other Prepayments		
Misc. Prepayments	\$73	\$8,755
Total Other Prepayments	\$73	\$8,755
Total Other Financial Assets	\$97,300	\$169,504
Non-Current Assets		
Fixed Assets- Equipment Grant		
Furniture & Fixtures - CAS	\$37,615	\$37,572
Accum Depn - F&F CAS	-\$30,341	-\$27,698
New Furniture (lounges) -CAS	\$5,525	\$5,525
Accum Depn - New Furn CAS	-\$5,525	-\$5,525
Boston Lift Chairs - CAS	\$1,522	\$1,522
Accum Depn -Boston Lift chairs	-\$1,522	-\$1,522

This report includes Year-End Adjustments.

Blackheath Area Neighbourhood Centre Inc

41 Gardiner Crescent
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ABN: 83 058 109 149

Balance Sheet [Last Year Analysis]

June 2021

	This Year	Last Year
Furniture & Fixtures - KATCAS	\$9,755	\$9,755
Accum Depn - F&F KATCAS	-\$9,755	-\$9,755
Total Fixed Assets- Equipment Grant	\$7,274	\$9,874
Fixed Assets-Operating Funds		
Furniture & Fixtures - BANC	\$23,496	\$23,496
Acc Depn - F&F BANC	-\$19,901	-\$18,739
Computer Equipment - BANC	\$53,558	\$52,166
Acc Depn - Comp Equip BANC	-\$51,750	-\$50,251
Furniture & Fixtures - BOOSH	\$2,364	\$2,364
Acc Depn - F&F BOOSH	-\$2,364	-\$2,364
Total Fixed Assets-Operating Funds	\$5,402	\$6,672
Motor Vehicles		
Toyota W/Chair Bus AY85CQ	\$65,597	\$65,597
Acc Depn - Wchair AY85CQ	-\$65,597	-\$65,597
Total Motor Vehicles	\$0	\$0
Total Non-Current Assets	\$12,676	\$16,546
Total ASSETS	\$999,554	\$725,169
LIABILITIES		
Current Liabilities 22		
Trade Creditors	\$34,503	\$16,032
Accrued Expenses	\$36,353	\$0
Total Current Liabilities 22	\$70,856	\$16,032
Other Liabilities		
BANC Projects		
HUFF - BM Fire preparation	\$1,802	\$2,829
Fundability - part 2 BM Drama	\$458	\$458
Boosh - F/R Prov Shade Shelter	\$1,462	\$2,367
BOOSH - General Provisions	\$2,746	\$2,746
Blue Shorts	\$0	\$650
Anzac Com Grant 2021	\$800	\$800
Total BANC Projects	\$7,268	\$9,850
Auspiced Projects		
Mt Irvine - BMCC Mayorial Grant	\$4,541	\$0
SMARTENUP	\$74,810	\$0
Total Auspiced Projects	\$79,351	\$0
Total Other Liabilities	\$86,619	\$9,850
Other Current Liabilities		
Reimbursements payable	\$13,675	\$2,166
Cos Grant fundng returned 19Y	\$0	\$16,842
CoS Grant funding returned 20Y	\$0	\$3,072
COS Grant funding returned 21Y	\$32,405	\$0
Be Connected/Good Thing Foundation Grant returned	\$5,000	\$0
Other Liabilities	\$6,352	\$6,366
Bonds held BOOSH/VAC	\$6,200	\$6,100
CAS Plan Management Clearing	-\$23,594	\$6
Total Other Current Liabilities	\$40,039	\$34,553
Provisions		
Dis w/chair bus unexpired chgs	\$4,317	\$4,317
Unexpired Charge-PMB-MtVic BFR	\$6,204	\$6,204
BANC - N/C Consortium Donation	\$1,833	\$1,833
BOOSH - CBA	\$7,063	\$7,063

This report includes Year-End Adjustments.

Blackheath Area Neighbourhood Centre Inc

41 Gardiner Crescent
Blackheath

ABN: 83 058 109 149

Balance Sheet [Last Year Analysis]

June 2021

	This Year	Last Year
CB CAS Kitchen (Asset Depn)	\$6,694	\$8,976
Blackheath Cares	\$2,211	\$3,334
Food Pantry - Food Coop	\$0	\$450
Total Provisions	\$28,322	\$32,176
GST Liabilities		
GST Collected	\$23,653	\$9,008
GST Paid	-\$12,536	-\$6,426
Total GST Liabilities	\$11,117	\$2,582
Recurrent Grants		
Grants Received In Advance	\$55,032	\$15,337
Total Recurrent Grants	\$55,032	\$15,337
Non-Recurring Grants		
Other Grants		
TAP Marketing Grant	\$6,642	\$8,442
Total Other Grants	\$6,642	\$8,442
Total Non-Recurring Grants	\$6,642	\$8,442
Payroll		
PAYG & Superannuation		
PAYG Withholding Payable	\$14,424	\$11,466
Superannuation Payable	\$27,649	\$22,635
Total PAYG & Superannuation	\$42,073	\$34,101
Payroll Provisions		
Provision for Annual Leave	\$58,993	\$63,212
Provision for Sick Leave	\$31,572	\$34,655
Provision for LSL	\$33,059	\$38,220
Provision for Time in Lieu	\$5,108	\$8,017
Provision for Redundancy	\$35,045	\$35,045
Total Payroll Provisions	\$163,777	\$179,149
Total Payroll	\$205,851	\$213,250
Other Current Liabilities 22		
Exempt Benefits Payable		
Exempt Benefits - Davies J	\$600	\$600
Total Exempt Benefits Payable	\$600	\$600
Total Other Current Liabilities 22	\$600	\$600
Total LIABILITIES	\$505,078	\$332,822
Net Assets	\$494,476	\$392,347
EQUITY		
Retained Earnings		
Retained Earnings - BANC	\$283,491	\$136,023
Retained Earnings - CBA	\$11,980	\$11,980
Retained Earnings - Recreation	\$65,933	\$65,933
Retained Earnings - KATCAS	-\$6,949	-\$6,949
Retained Earnings - Puppets	\$8,358	\$8,358
Retained Earnings - BOOSH	-\$4,915	-\$4,915
Total Retained Earnings	\$357,899	\$210,430
Current Earnings	\$102,129	\$147,469
Prior Year Adjustments 14-15	-\$2,761	-\$2,761
Prior Year Adjustments 17-18	\$37,210	\$37,210
Total EQUITY	\$494,476	\$392,347

This report includes Year-End Adjustments.

Blackheath Area Neighbourhood Centre Inc ABN 83 058 109 149

Statement of Cash Flows For the year ended 30 June 2021

	2021	2020
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers, grants and NDIS income	1,968,622	1,502,200
Payments to Suppliers and employees	(1,616,614)	(1,509,406)
Interest received	1,635	3,483
Net cash provided by (used in) operating activities (note 2(b))	<u>353,643</u>	<u>(3,723)</u>
Cash Flow From Investing Activities		
Payments for property, plant and equipment	(1,435)	(3,465)
Proceeds on sale of property, plant and equipment		23,200
Net cash provided by investing activities	<u>(1,435)</u>	<u>19,735</u>
Net increase in cash held	352,208	16,012
Cash at the beginning of the year	<u>535,794</u>	<u>519,782</u>
Cash at the end of the year (note 2(a))	<u><u>888,002</u></u>	<u><u>535,794</u></u>

The accompanying notes form part of these financial statements.

Blackheath Area Neighbourhood Centre Inc ABN 83 058 109 149

Statement of Changes in Equity for the year ended 30/06/2021

	Notes	Retained Earnings	Total
Balance at 30/06/2019		<u>244,878</u>	<u>244,878</u>
Comprehensive income			
Profit attributable to the members		147,469	147,469
Total comprehensive income for the year attributable to members of the entity		<u>147,469</u>	<u>147,469</u>
Balance at 30/06/2020		<u>392,347</u>	<u>392,347</u>
Comprehensive income			
Profit attributable to the members		102,129	102,129
Total comprehensive income for the year attributable to members of the entity		<u>102,129</u>	<u>147,469</u>
Balance at 30/06/2021		<u>494,476</u>	<u>494,476</u>

The accompanying notes form part of these financial statements.

**Notes to the Financial Statements
For the year ended 30 June 2021**

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act of New South Wales and the requirements of the Australian Charities and Not-for-profits Commission Act 2012. The committee has determined that the association is not a reporting entity as it is unlikely there are users of these financial statements who are not in a position to require the preparation of reports tailored to their information needs. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-Profits Commission Act 2012 and the significant accounting policies disclosed below, which the Committee have determined are appropriate to meet the needs of the members. The special purpose financial statements do not comply with all the recognition and measurement requirements in Australian Accounting Standards.

The recognition and measurement requirements that have not been complied with are those specified by Accounting Standards (i) AASB 137 Provisions, Contingent Liabilities and Contingent Assets. The association has recognised provisions for Community programs, employee sick leave, redundancy and time in lieu of which do not meet the recognition criteria in AASB 137 and (ii) AASB 16 Leases as the association recognises commercial lease arrangements as an expense under AASB 117 Leases (superseded by AASB 16).

The financial report has been prepared on an accrual basis and is based on historical costs and does 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 otherwise stated, have been adopted in the preparation of this financial report.

(a) Cash and Cash Equivalents

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

Blackheath Area Neighbourhood Centre Inc ABN 83 058 109 149

Notes to the Financial Statements For the year ended 30 June 2021

(b) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue comprises of revenue from grant income, child care centre operations, NDIS services, donations, bank interest, government COVID-19 JobKeeper payment subsidy and Cash Flow Boost instalments and other income.

The association recognises income in profit or loss when or as the association satisfies its obligations under the terms of the grant.

Interest revenue is recognised on an accruals basis.

Donations and bequests were recognised as revenue when received.

Revenue from the rendering of a service was recognised upon the delivery of the service to the customer.

(c) 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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

(d) Income Tax

The Association is a registered charity and is exempt from income tax in accordance with Section 50-B of the Income Tax Assessment Act 1997. The Association is a public benevolent institution and holds deductible gift recipient status.

(e) Property, Plant and Equipment (PPE)

Motor vehicles and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The carrying amount of an item of PPE shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of PPE shall be included in profit or loss when the item is derecognised.

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Blackheath Area Neighbourhood Centre Inc ABN 83 058 109 149

Notes to the Financial Statements

For the year ended 30 June 2021

(f) Employee Benefits

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 benefits have been measured at the amounts expected to be paid when the liability is settled.

(g) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reasonably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

For leases that have significantly below-market terms and conditions principally to enable the association to further its objectives (commonly known as peppercorn/concessionary leases), the association has adopted the temporary relief under AASB2018-8 and measures the right of use assets at cost on initial recognition.

(i) Key estimates and judgments

Plant and equipment - as indicated in Note 1(e), the association reviews the useful life of plant and equipment on annual basis.

Employee entitlements - as indicated at Note 1(f), employee benefits have been measured at the amounts expected to be paid when the liability is settled. The association exercises judgment in the classification of employment arrangements in order to assess any obligation for employee entitlements.

Going concern - the COVID-19 pandemic has detrimentally effected the worldwide economy. The association has assessed its ability to continue as a going concern and there is no known material uncertainty as at the date of signing the financial report that would effect the ability of the association to continue as a going concern. Accordingly, the financial statements have been prepared as a going concern.

JobKeeper wage subsidy income – this government scheme is a wage subsidy that entitles eligible entities that have suffered a specified decline in turnover to a fortnightly payment for wages paid to eligible employees. Employers elect to participate in the scheme. Employees subject to the scheme must be eligible for JobKeeper payments, with the onus on the employer to establish that all eligibility requirements are met before applying for the scheme. Management exercises judgement in applying for this scheme which is based on future estimates and an employees declaration of eligibility.

(j) Economic Dependence

The Association is dependent on both the Department of Communities & Justice (previously known as Family & Community Services) ("DCJ") and the Department of Health ("DOH") for grant funding. The Association renewed its agreement for funding services with DCJ for a five year term commencing 1st July 2020 and has ongoing support from DOH until 31st October 2021. At the date of this report the Committee has no reason to believe these Departments will not continue to support the Association.

Statement of Cash Flows
For the year ended 30 June 2021

	2021	2020
Note 2(a). Reconciliation Of Cash		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and term deposits.		
Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Bendigo Bank - Main account	631,495	284,566
Bendigo Bank - NILS account	78,992	78,670
Bendigo Bank - cash account	2,647	2,080
Commonwealth Bank - deposits	11,881	7,491
ING Business Optimiser	373	373
Term deposits - at call	162,614	162,614
	888,002	535,794

Note 2(b). Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating profit	102,129	147,469
Depreciation	3,023	2,673
Gain on disposal of assets		(23,200)
Changes in assets and liabilities:		
(Increase) decrease in trade and term debtors	(1,512)	30,984
(Increase) decrease in accrued income	63,980	(92,605)
(Increase) decrease in other assets	8,682	(648)
Increase (decrease) in grants in advance	117,246	
Increase (decrease) in trade creditors and accruals	79,321	(35,976)
Increase (decrease) in employee entitlements	(15,372)	12,324
Increase (decrease) in sundry provisions	(3,854)	(44,744)
Net cash provided by (used in) operating activities (note 2(b))	353,643	(3,723)

Notes to the Financial Statements
For the year ended 30 June 2021

2021

2020

Note 3: Events Subsequent to Reporting Date

The COVID19 pandemic continued to impact New South Wales businesses post year-end and during July 2021 a COVID-19 lockdown was enforced across Greater Sydney and extended until the end of September 2021. At the date of signing of this financial report there is still significant uncertainty over how the outbreak and lockdown will impact the domestic economy, however, as at the date of signing of the financial report BANC have continued provision of its operations.

The financial effects of the above have not been brought to account in the accounts at 30 June 2021.


**Statement by Members of the Board
For the year ended 30 June 2021**

The Board has determined that the association 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 Board the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Blackheath Area Neighbourhood Centre Inc as at 30 June 2021 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.
3. the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

This statement is made in accordance with a resolution of the Board and signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013 on behalf of the Board by:



Michael Brogan - President



Yuliya Mann - Treasurer

Dated this 6th day of September 2021

Independent Auditor's Report to the Members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Blackheath Area Neighbourhood Centre Inc (the association), which comprises the Statement by Members of the Board, the Income and Expenditure Statement, Balance Sheet as at 30 June 2021, a summary of significant accounting policies and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the association as at 30 June 2021 and [of] its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Act 1991 and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

We do not provide an opinion on the entities eligibility or verify the entitlement in relation to the Commonwealth Government Jobkeeper assistance.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the association 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 our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – JobKeeper wage subsidy

We draw attention to Note 1(i) to the financial report, which describes the critical accounting estimates and management judgement exercised in relation to the government JobKeeper wage subsidy. The eligibility for the scheme is based upon management judgement and employees declaration of eligibility. Our audit does not include an opinion in relation to eligibility for this scheme. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of Associations Incorporation Act 1991 and with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Act 1991 and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report to the Members

Auditor's Responsibilities for the Audit of the Financial Report

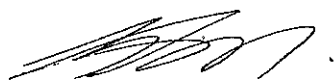
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee'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 association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association 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.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Signed on this 6th day of September 2021:



William Tomiczek, F.I.P.A., Registered Company Auditor 1425
William Tomiczek & Associates
66 Emu Plains Road, Mount Riverview NSW 2774