



the centre

The Centre: Connecting Community in North & West Melbourne Incorporated  
ABN 21 236 030 938

**FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

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Prepared by Craig Barry – Rutherford Clare Business Services

## CONTENTS

ABOUT THE CENTRE .....	2
ACKNOWLEDGEMENTS.....	3
THE FINANCIAL YEAR AT A GLANCE.....	4
SUMMARY FINANCIAL DATA & KEY INDICATORS.....	5
CHAIR'S REPORT .....	7
DIRECTOR'S REPORT.....	8
STATEMENT OF COMPREHENSIVE INCOME.....	9
STATEMENT OF FINANCIAL POSITION.....	10
STATEMENT OF CHANGES IN EQUITY .....	11
STATEMENT OF CASH FLOWS.....	12
NOTES TO THE FINANCIAL STATEMENTS .....	13
NOTE 1.    STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES .....	13
NOTE 2.    GRANTS & OTHER INCOME.....	16
NOTE 3.    EMPLOYEE BENEFITS .....	16
NOTE 4.    PROGRAM COSTS .....	16
NOTE 5.    OTHER EXPENSES .....	16
NOTE 6.    CASH AND CASH EQUIVALENTS .....	17
NOTE 7.    RECEIVABLES .....	17
NOTE 8.    PROPERTY, PLANT AND EQUIPMENT.....	17
NOTE 9.    PAYABLES .....	18
NOTE 10.   INCOME RECEIVED IN ADVANCE .....	18
NOTE 11.   PROVISIONS.....	18
NOTE 12.   EQUITY AND RESERVES .....	19
NOTE 13.   CASH FLOW INFORMATION .....	19
NOTE 14.   OPERATING LEASE COMMITMENTS.....	19
NOTE 15.   AUDITORS' REMUNERATION .....	19
NOTE 16.   DIRECTORS' REMUNERATION AND ATTENDANCE .....	20
NOTE 17.   SUBSEQUENT EVENTS .....	20
NOTE 18.   ASSOCIATION DETAILS .....	20
DECLARATION .....	21
INDEPENDENT AUDITORS REPORT .....	22
SOLVENCY STATEMENT.....	23
RISK ATTESTATION.....	24
CERTIFICATION.....	25



## ABOUT THE CENTRE

The Centre is a not-for-profit incorporated charity situated in Errol Street in the heart of North and West Melbourne.

The Centre has been providing services to the North and West Melbourne Community for over 46 years. It continues to be proudly run by a loyal and committed team of volunteers and paid staff. The Centre's members and clientele cover a diverse range of individuals from a variety of cultural backgrounds and organisations, exemplifying the richness of the local community. The Centre's programs and activities respond to the needs of the North & West Melbourne community, providing an accessible and inclusive agenda which fosters belonging and community spirit, reduces social dislocation and isolation and ultimately improves the wellbeing of the community's members. The Centre works closely with other community partners and local associations and is supported by funding and goodwill from the community, government, and non-government organisations. This year, after the challenges associated with Covid-19 in previous years, The Centre has emerged stronger and has expanded its activities in North Melbourne, West Melbourne, and Melbourne Docklands, where we operate The Docklands Neighbourhood House in The District shopping precinct.

The Centre is an Incorporated Association registered with Consumer Affairs Victoria and a charity registered with the Australian Charities and Not for Profit Commission. The members of the association comprise individuals that have been active participants in any of the activities run by The Centre and supporters from the local community. Members are entitled to attend the Annual General Meeting and any Special General Meetings of the association and vote on any resolutions put to the meetings.

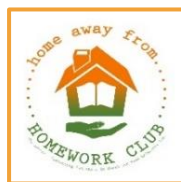
The Centre's activities are overseen by a Management Committee elected or appointed in accordance with The Centre's constitution. Directors receive no remuneration for being on the Committee.

Committee members on 30 June 2022 were:

- Mr. Karl Hessian - Chair
- Mrs. Lorna Hannan - Vice Chair
- Mr. Gary Dowling - Treasurer
- Mrs. Kay Oke - Secretary
- Mr. Tom Seddon - Director
- Mr. Bill Liddy - Director
- Mr. Benjamin O'Connor - Director
- Mrs. Kay Oke - Secretary
- Ms. Kate Ritchie - Director
- Mrs. Kath McPherson - Director



The Committee has delegated responsibility for the day-to-day operation of The Centre to a Centre Director. The current Centre Director is Mr. Ariel Valent. Mr Valent was appointed to the role in December 2020. The Centre's programs and activities include educational programs, community activities and events including:



Like many organisations The Centre's activities were severely impacted by the Covid-19 pandemic with both The Centre in Errol Street and Docklands Neighbourhood House forced to close their doors during the lockdown periods. The Centre's regular program of activities was also disrupted. Some of our regular programs like The Centre Adventures and Homework Club had to cease during lockdowns. Others like the Pilates program and the Community Choir continued remotely via Zoom. Unfortunately, as with last year, our flagship event Spring Fling, normally held in October each year, had to be cancelled again. After consultations with the local community and cancellation of the 2019 & 2020 events the Committee has decided to retire the Spring Fling event permanently. It is to be replaced by a new event scheduled for October this year called Queensberry Cup.

Covid-19 support funding provided by government allowed The Centre to retain all its Staff. This allowed the Centre to continue to support the local community during lockdown periods and allowed us to resume activities without delay once the restrictions had been lifted.

## ACKNOWLEDGEMENTS

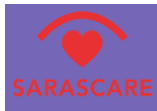


The Centre is a founding member of the Inner North Cluster



The Centre is a member of the North Melbourne Agency Collective

### Key Partners & Supporters



### Major Donors & Sponsors



Greater Western Water is a sponsor of the Spanish Language Fiesta.



Nelson Alexander Real Estate is a significant Homework Club donor.



Australian Communities Foundation is a significant Homework Club donor.

The Centre wishes to thank the above partners, supporters, sponsors and donors for their generosity as well as all those individuals that made cash donations or volunteered their time, to support our Homework Club, Spanish Language Fiesta, Holi, North & West Melbourne News, or other activities at The Centre or Docklands Neighbourhood House. Thank you all.

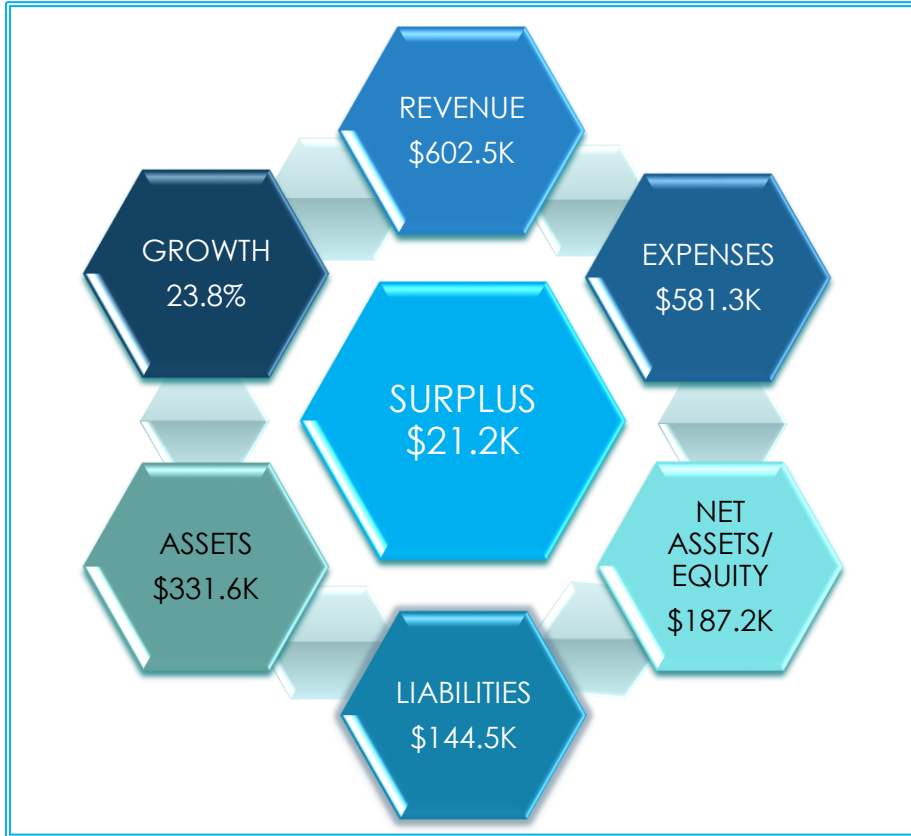
### Auditors

**JP Hardwick & Associates**

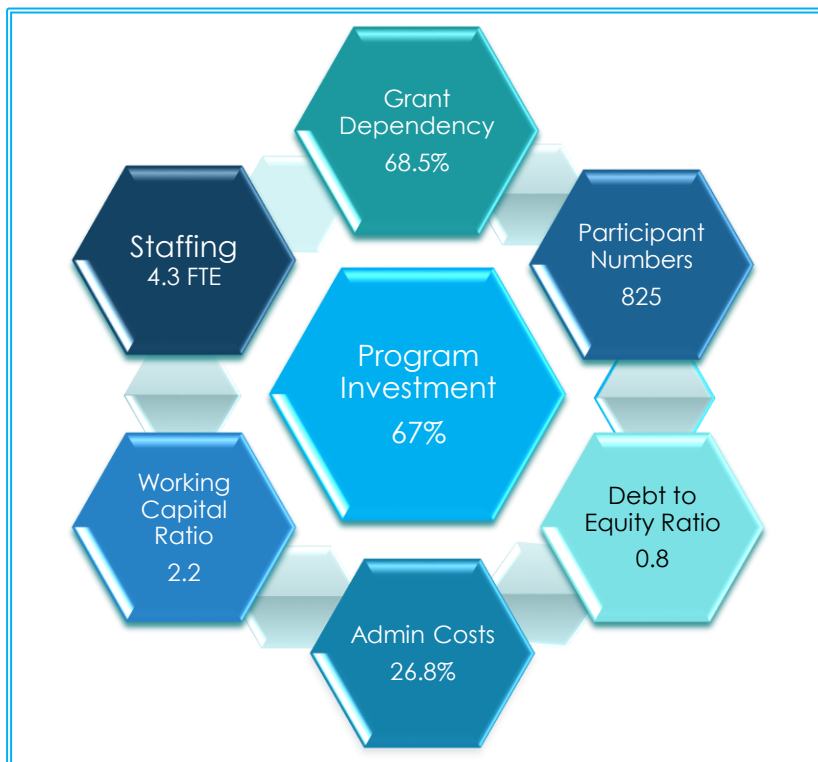
Mr Stephen George Le Couilliard IPA  
Mr Michael Adasko CPA  
J P Hardwick & Associates  
Unit 7, 617-643 Spencer Street  
West Melbourne, VIC 3003

# THE FINANCIAL YEAR AT A GLANCE

## HEADLINES



## KEY INDICATORS

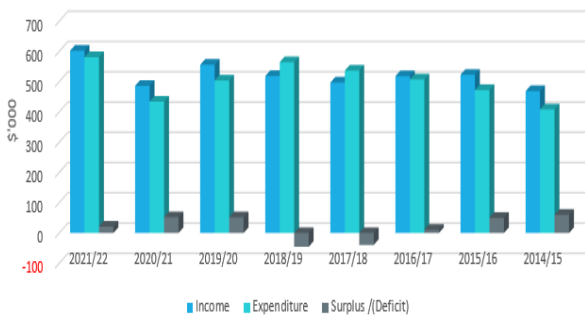


## SUMMARY FINANCIAL DATA & KEY INDICATORS

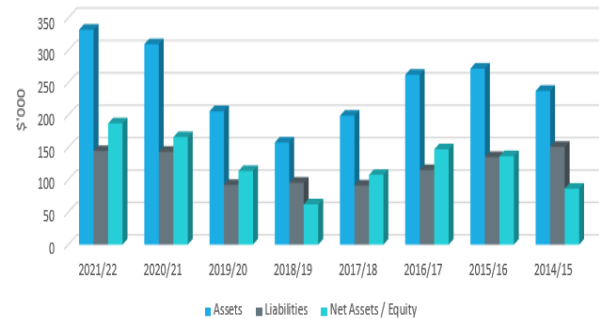
### (a) Headline Data & Indicators - 7 Year Comparison

	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
Income	602,475	486,359	556,079	518,988	497,509	518,152	522,839	468,903
Expenditure	581,274	434,165	504,317	564,688	536,880	507,697	472,605	408,677
<b>Surplus /(Deficit)</b>	<b>21,201</b>	<b>52,194</b>	<b>51,762</b>	<b>(45,700)</b>	<b>(39,371)</b>	<b>10,455</b>	<b>50,234</b>	<b>60,226</b>
Assets	331,647	309,350	205,938	157,640	199,082	262,112	271,805	237,387
Liabilities	144,491	143,395	92,177	95,641	91,383	115,043	135,191	151,007
<b>Net Assets / Equity</b>	<b>187,156</b>	<b>165,955</b>	<b>113,761</b>	<b>61,999</b>	<b>107,699</b>	<b>147,069</b>	<b>136,614</b>	<b>86,380</b>
Working capital ratio (target > 1.5)	2.2	2.1	2.3	1.6	2.1	2.3	1.9	1.4
Debt to equity ratio (target <1.0)	0.8	0.9	0.8	1.5	0.8	0.8	0.9	1.7

#### Operating Result



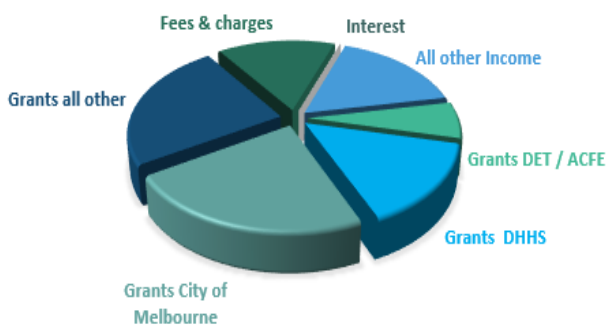
#### Assets & Liabilities



### (b) Income - 7 Year Comparison

	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
Grant income – DET / ACFE	40,656	26,897	46,220	60,624	76,653	60,504	141,510	58,689
Grant Income - DHHS	89,596	86,909	83,033	79,277	60,007	57,206	54,421	51,809
Grant Income – City of Melbourne	136,350	162,247	175,256	129,364	127,684	140,872	136,411	115,668
Grant income - all other	146,063	98,207	49,074	25,048	28,959	66,679	63,115	25,218
Fees & charges	89,600	62,752	98,941	130,288	119,953	113,601	91,214	87,489
Interest	251	385	698	1,921	1,947	1,857	562	431
All other Income	99,959	48,962	102,857	92,466	82,306	77,433	35,606	129,599
<b>Total Income</b>	<b>602,475</b>	<b>486,359</b>	<b>556,079</b>	<b>518,988</b>	<b>497,509</b>	<b>518,152</b>	<b>522,839</b>	<b>468,903</b>
Income growth on previous year	23.8%	(12.5%)	7.1%	4.3%	(3.9%)	(0.9%)	11.5%	8.7%
ACFE grants as % total income (target < 50%)	6.7%	5.5%	8.3%	11.6%	15.4%	11.7%	27.1%	12.5%
All grants as % total income (target < 75%)	68.5%	77.0%	63.6%	56.7%	58.9%	62.8%	75.6%	53.6%

#### Income Sources

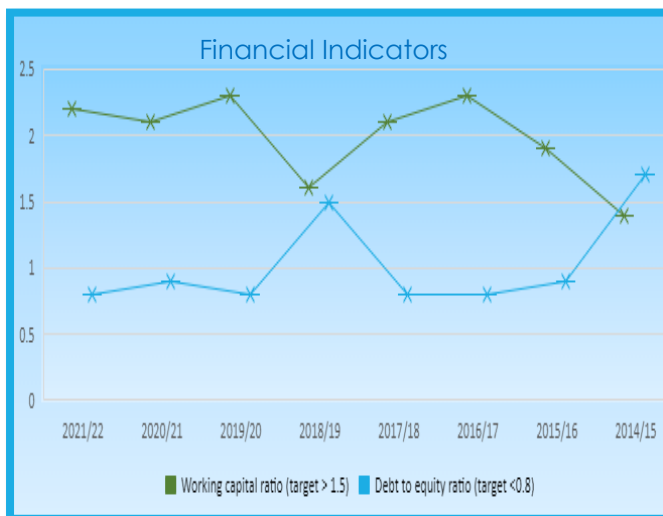
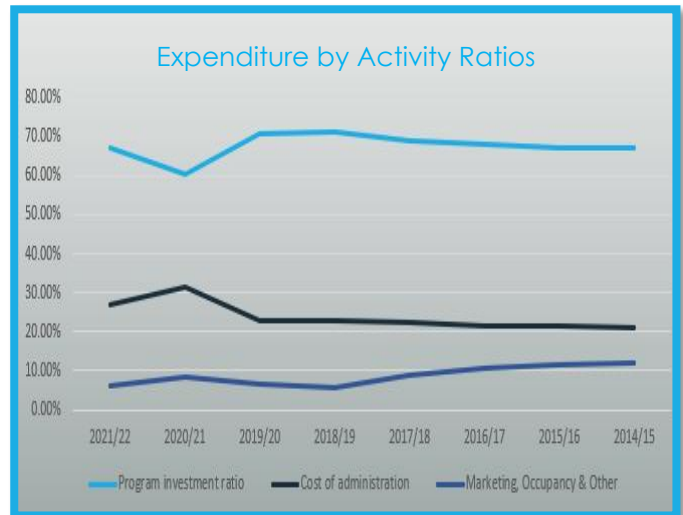
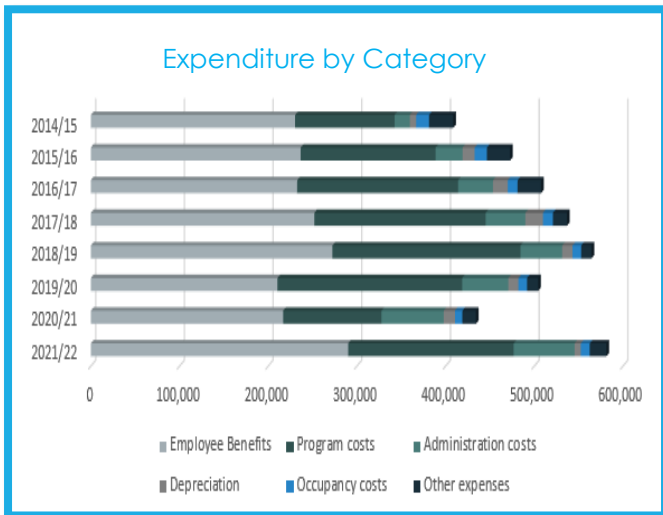


#### Income Growth



(c) Expenditure - 7 Year Comparison

	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
Employee Benefits <sup>1</sup>	290,263	216,892	209,497	272,432	252,145	232,643	236,614	230,380
Program costs	186,518	110,835	207,384	212,026	193,103	181,549	152,195	112,137
Administration costs	68,774	70,185	53,802	47,043	44,793	39,293	30,399	17,262
Depreciation	6,929	12,757	11,488	11,724	19,904	16,630	13,604	7,100
Occupancy costs	10,107	8,239	9,690	9,790	11,123	11,115	13,867	14,559
Other expenses <sup>2</sup>	18,683	15,257	12,458	11,529	15,812	26,467	25,926	27,239
<b>Total Expenses</b>	<b>581,274</b>	<b>434,165</b>	<b>504,317</b>	<b>564,688</b>	<b>536,880</b>	<b>507,697</b>	<b>472,605</b>	<b>408,677</b>
Program cost ratio <sup>3</sup>	32.1%	25.5%	41.1%	37.5%	35.9%	35.8%	32.2%	27.4%
Program investment ratio <sup>4</sup>	67.0%	60.5%	70.5%	71.3%	68.8%	67.8%	67.2%	66.9%
Program investment split (Direct program: program support)	66:34	70:30	85:15	85:15	84:16	87:13	85:15	83:17
Total staffing (average FTE)	4.3	3.3	3.4	3.4	3.4	4.2	3.2	3.4
Staff cost ratio <sup>1</sup>	49.9%	49.9%	41.5%	48.2%	46.9%	45.8%	50.1%	56.4%
Cost of administration <sup>4</sup>	26.8%	31.2%	22.8%	22.8%	22.4%	21.5%	21.4%	21.1%



<sup>1</sup> Staffing mix is approximately 50% direct program staff, 20% program support staff, 30% administration staff.  
<sup>2</sup> Includes advertising, promotion, marketing & fundraising costs.  
<sup>3</sup> All ratios calculated as a % of total expenditure  
<sup>4</sup> Includes allocation of employee benefits as detailed above – see footnote 1.



## CHAIR'S REPORT



To begin, let me give a big shoutout and thank you to all the volunteers, staff and contractors who have delivered on their programs in the past 12 months. It has been quite a remarkable year and we all owe them our thanks for their perseverance and the time and effort they have put into The Centre.

In particular, I would like to acknowledge the hard work of the Director, whose commitment to planning activities and events in the latter half of 2021 has borne fruit this year. His preparedness to try out new things has been to our collective advantage.

It has been wonderful to see the renewed enthusiasm and energy in The Centre and the Docklands Neighbourhood House since both reopened in November 2021. The new outdoor seating in Errol Street was an instant success and more important strategic work was happening inside The Centre and across the community.

With Strategic Development Group, The Centre conducted a Community Needs Analysis for North and West Melbourne. Through this important work, we identified the needs and aspirations of our community, particularly from those cohorts whose voices are seldom heard. This study will inform the strategic plan for The Centre over the coming years. Already we have strengthened our relationships with African Australian, Chinese and Vietnamese communities and people experiencing homelessness.

During the year we had some staffing changes and we welcomed Alex Gyles, Ayla Dempsey, Peter Robert, Tamalika Saha and Jorge Jorquera. We farewelled Ragn Hannah and Jack Yang and we thank them for their contribution and wish them both the very best for the future.

Thank you to all our returning course and event participants who have embraced the opportunities of the new operating environment and welcome to everyone who has discovered The Centre for the first time. I look forward to seeing everyone at our first in-person Annual General Meeting in three years where we can talk about not only the year just concluded but some of the exciting things coming up in 2022-23

**Karl Hessian**  
Chair

**September 2022**

## DIRECTOR'S REPORT



This past year was a year of two halves. The latter part of 2021 was dominated by Victoria's COVID-19 lockdown. While lockdown was not new for The Centre or our local communities, it sure did make social connection – the lifeblood of our Neighbourhood House – challenging.

Some parts of our program had to be cancelled. For other elements, we persisted with virtual sessions. Delivering education, health and wellbeing, and social gathering online has its limitations, but it also provided some opportunities.

Our long-running WorkOut program, with men returning to the community after prison sentences, expanded to include Homestretch; we ran first-time sessions in juggling, magic, Zumba, digital gardening and flag design; and we introduced My Story My Voice, a powerful online seven-workshop series by and for people of diverse cultural backgrounds to tell their personal stories.

Our Home Away from Homework Club kept in regular phone contact with students and their families and sent activity packs home to more than 100 households. We also solicited donations from the community and provided families with toys, games and other distractions as the lockdown wore on.

The North & West Melbourne News was published on time and on point.

Our plans for a re-invented Spring Fling were re-worked a number of times. In the end, we tried to bring some community cheer through non-gathering activities including leaving surprise gifts for strangers and encouraging people to design a flag for North & West Melbourne.

COVID-19 still affected our programs at the start of this year, but The Centre was able to organise a range of successful events from the celebratory Spanish Language Fiesta to the solemn Anzac Day ceremony.

Our ongoing programs sprang back to life and it was encouraging to see people singing together, exercising together, eating together and learning together. Providing these opportunities for connection, progression and expression is what The Centre is all about.

While The Centre's core neighbourhood is North and West Melbourne, we have also taken great strides in Docklands. Two community highlights included the inaugural Repair Café that diverted 50 kg of waste from landfill and the Holi festival that saw more than 1,000 people anointed with coloured powder in this Hindu celebration. Our fruitful partnership with Development Victoria allows us to work with the community to plan and deliver more programs.

My sincere thanks to all staff, tutors, volunteers, Board members, partners, participants and broader community. We have been through a lot, but the fact that we went through it together means our community is stronger. I look forward to The Centre building on these strengths into the future.

**Ariel Valent**  
**Director**

**September 2022**

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>INCOME</b>			
Government and other grants			
- City of Melbourne	2	136,350	162,247
- Department of Education and Training (DET)	2	41,656	26,897
- Department of Health & Human Services (DHHS)	2	89,596	86,909
- Other	2	146,063	98,207
Course and activity fees	2	89,600	62,752
Other income	2	100,210	49,347
<b>TOTAL INCOME</b>		<b>602,475</b>	<b>486,359</b>
<b>EXPENDITURE</b>			
Employee benefits	3	(290,263)	(216,892)
Advertising and promotion		(11,263)	(6,789)
Depreciation	8	(6,929)	(12,757)
Occupancy costs		(10,107)	(8,239)
Program costs - contractors	4	(66,988)	(44,829)
Program costs - other	4	(119,530)	(66,006)
Other expenses	5	(76,194)	(78,653)
<b>TOTAL EXPENDITURE</b>		<b>(581,274)</b>	<b>(434,165)</b>
<b>NET RESULT FOR THE PERIOD</b>	15	<b>21,201</b>	<b>52,194</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD</b>		<b>21,201</b>	<b>52,194</b>

*The accompanying notes form part of these financial statements.*

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	252,590	275,934
Receivables	7	60,039	14,514
Prepayments & other current assets		2,589	4,341
<b>Total current assets</b>		<b>315,218</b>	<b>294,789</b>
<b>Non-current assets</b>			
Property, plant, and equipment	8	16,429	14,561
<b>Total non-current assets</b>		<b>16,429</b>	<b>14,561</b>
<b>TOTAL ASSETS</b>		<b>331,647</b>	<b>309,350</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	9	27,817	39,899
Provisions	11	13,044	23,178
Income received in advance	10	103,630	76,634
<b>Total current liabilities</b>		<b>144,491</b>	<b>139,711</b>
<b>Non-current liabilities</b>			
Provisions	11	-	3,684
<b>Total non-current liabilities</b>		<b>-</b>	<b>3,684</b>
<b>TOTAL LIABILITIES</b>		<b>144,491</b>	<b>143,395</b>
<b>NET ASSETS</b>		<b>187,156</b>	<b>165,955</b>
<b>EQUITY</b>			
Reserves		18,592	18,592
Retained earnings		168,564	147,363
<b>TOTAL EQUITY</b>	12	<b>187,156</b>	<b>165,955</b>

*The accompanying notes form part of these financial statements.*

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Retained Earnings	Reserves	TOTAL
		\$	\$	\$
<b>BALANCE AT 30 JUNE 2020</b>		<b>95,169</b>	<b>18,592</b>	<b>113,761</b>
Comprehensive income (expense) for the year		52,194	-	52,194
Amount transferred (to) from reserves		-	-	-
<b>BALANCE AT 30 JUNE 2021</b>		<b>147,363</b>	<b>18,592</b>	<b>165,955</b>
Comprehensive income (expense) for the year		21,201	-	21,201
Amount transferred (to) from reserves		-	-	-
<b>BALANCE AT 30 JUNE 2022</b>	12	<b>168,464</b>	<b>18,592</b>	<b>187,156</b>

*The accompanying notes form part of these financial statements.*

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Government and other grants		427,566	536,548
Other receipts		125,395	71,238
Employee benefits paid		(223,940)	(253,700)
Payments to suppliers		(343,568)	(232,491)
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES</b>	13	<b>(14,547)</b>	<b>121,595</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(8,797)	(3,230)
Proceeds from sale of property, plant and equipment		-	-
<b>NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES</b>		<b>(8,797)</b>	<b>(3,230)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net interest received (paid)		-	-
Equity invested in Non-current Assets		-	-
Equity invested in Operating Activities		-	-
<b>NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES</b>		-	-
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		<b>(23,344)</b>	<b>118,365</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>275,934</b>	<b>157,569</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	6	<b>252,590</b>	<b>275,934</b>

*The accompanying notes form part of these financial statements.*

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2022

#### NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements prepared to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

The financial statements cover The Centre: Connecting Community in North & West Melbourne Inc. ("The Centre") as an individual entity. The Centre is an association incorporated in Victoria and operating pursuant to the *Associations Incorporation Reform Act 2012*. The committee of management of The Centre has determined that the association is not a reporting entity.

##### Basis of preparation

The financial statements have been prepared in accordance with Australian Accounting Standards as required for a 'tier two association' under the *Associations Incorporation Reform Act 2012*.

The financial statements, apart from cash flow information, have been prepared on an accrual basis in accordance with the historical cost convention, except for the measurement at fair value of certain non-current assets and financial assets and liabilities where stated. All amounts shown in the financial statements are rounded to the nearest dollar.

The following material accounting policies have been applied in preparing the financial statements for the year ended 30 June 2022 and the comparative information for the year ended 30 June 2021

#### (a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and is measured at the fair value of the consideration received or receivable. Specific revenues are recognised as follows:

##### Grants

The Centre receives grants for operating and project purposes. Where there are conditions attached to grants relating to the specific use and timing of funds and which may provide for economic value back to the grant contributor, grants are first recognised as a liability in the statement of financial position (income received in advance) until such obligations are met, then recognised as revenue in the statement of comprehensive income as performance occurs and grants are expended in accordance with grant requirements. Grants are otherwise recognised as revenue when control of the underlying assets received, or receivable has been obtained.

##### Rendering of services

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer, and where delivery is in progress, by reference to the percentage stage of completion of the transaction.

##### Course and activity fees

Fees are recognised as revenue when they are received, unless they have been received in advance of the commencement of the related activity period, in which case they are first recognised as a liability in the statement of financial position (income received in advance), then transferred to revenue when delivery commences.

##### Sale of goods

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

##### Interest

Interest revenue is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

All revenue is stated net of the amount of Goods and Services Tax (GST).

#### (b) Property, plant and equipment

Each class of fixed asset is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of physical assets is reviewed annually to ensure it is not materially more than the recoverable amount from these assets.

##### Depreciation

Fixed assets are capitalised and depreciated on a straight-line basis over their useful lives commencing from the time the assets are held ready for use.

The depreciation rates used for each class of depreciable assets are:

##### Class of fixed asset

##### Depreciation rate

Office furniture and equipment:

➤ Furniture	15-20%
➤ Office equipment excl. computers	20-25%
➤ Computer equipment	25-40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

(c) **Operating leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term. Any lease incentives received under operating leases are recognised initially as a liability and amortised on a straight-line basis over the life of the lease term.

(d) **Financial instruments**

The association's financial instruments consist of cash and cash equivalents and non-interest-bearing trade and other short-term receivables and payables.

Cash and cash equivalents comprise at-call and short-term deposits held with financial institutions and cash on hand. Receivables comprise trade and other short-term amounts owing to The Centre and due for settlement.

Payables represent liabilities in relation to goods and services provided to The Centre prior to the end of the financial year which are unpaid.

Recognition and measurement

The association recognises financial assets or liabilities on the date they are originated or when it becomes a party to the contractual provisions of the instrument. The instruments are initially measured at fair value plus any transaction costs. Subsequent measurement is either at fair value or amortised cost, less any impairment losses.

Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of the association's financial instruments are based on cost.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires, or the asset is transferred to another party whereby the association no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired.

(e) **Impairment**

The association assesses the carrying amounts of its financial and non-financial assets at the end of each reporting period for indications of impairment. If any such indication exists, the asset's recoverable amount is estimated, and any excess of the asset's carrying value over its recoverable amount is recognised as an impairment loss.

Impairment losses are expensed to the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation, with any excess recognised through the statement of comprehensive income.

The recoverable amount for assets is recognised at either the present value of estimated future cash flows, fair value less costs to sell or depreciated replacement cost, depending on the asset.

Impairment of the association's financial instruments is not recognised until objective evidence exists that a loss event has occurred. A provision for impairment losses is raised if there is an indicator that an impairment loss may be incurred.

An impairment loss is reversed if a subsequent increase in the recoverable amount of the asset can be objectively related to an event occurring after the impairment loss was recognised.

(f) **Provisions**

General Provisions

Provisions are made 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 reliably measured. The amounts recognised represent an estimate of the obligations as at the end of the reporting period.

Employee benefits

Provision is made for the association's liability for short and long-term employee benefits arising from services rendered by employees to balance date. These benefits include salaries and wages, annual and long-service leave and superannuation.

(g) **Income received in advance**

Income received in advance represents liabilities for amounts received by The Centre in advance of the related delivery of goods or services, for which contractual obligations exist. Refer also *Note 1 (a) Revenue*.

(h) **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 Tax 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.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for investing and financing activities, the GST component of which is disclosed as part of operating cash flow.

(j) **Income Tax**

The Centre is endorsed as an income tax exempt charity under Division 50 (Subdivision 50-B) of the Income Tax Assessment Act 1997.



(k) **Comparative figures**

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

(l) **Accounting judgments and estimates**

The preparation of the association's financial statements requires management to make judgments, estimates and theories that affect the application of policies and reported amounts in the financial statements. Estimates and assumptions are based on historical experience, best available current information and reasonable expectations of future events. Actual results may differ from estimates.

Estimates and assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognised in the period or periods affected by the revision.

(m) **Adoption of new and revised accounting standards**

The association has adopted applicable accounting standards and interpretations that are mandatory for the current reporting period. All new and revised accounting standards and interpretations that have mandatory application for future reporting periods, and are relevant to the association, have not been early adopted.



*Sing Now Choristers – December 2021*



*Spanish Language Fiesta – March 2022*



*Spanish Language Fiesta – March 2022*



*Holi – March 2022*

NOTE 2. GRANTS & OTHER INCOME

	2022	2021
	\$	\$
<b>Grants</b>		
City of Melbourne	136,350	162,248
Department of Education and Training (DET)	41,656	26,897
Department of Health & Human Services (DHHS)	89,596	86,909
Other Grants	146,063	98,207
<b>Total grants</b>	<b>413,665</b>	<b>374,261</b>
<b>Trading &amp; Other Income</b>		
North & West Melbourne News advertising and subscription revenue	22,164	22,223
Spanish Language Fiesta & Holi Festival sponsorship and stall hire revenue	17,240	11,854
Community choir membership fees	5,398	3,121
Course Fees	51,038	37,407
Interest	251	385
All other	92,719	37,108
<b>Total Trading &amp; other income</b>	<b>188,810</b>	<b>112,098</b>
<b>Total income</b>	<b>602,475</b>	<b>486,359</b>

NOTE 3. EMPLOYEE BENEFITS

	2022	2021
	\$	\$
Salaries and wages	273,120	276,621
Wage Subsidies (Job Keeper)	(2,772)	(78,300)
Leave provisions	(9,633)	(9,187)
Superannuation	24,759	22,383
Workcover	3,961	4,341
Other benefits	828	1,033
<b>Total employee benefits</b>	<b>290,263</b>	<b>216,891</b>

NOTE 4. PROGRAM COSTS

Program costs include costs directly attributable to supporting and delivering program activities. They include expenditure related to Events like the Spanish Language Fiesta and Holi

The current period includes project expenses relating to the delivery of the Spanish Language Fiesta & Holi held in March 2022. Due to Covid-19 restrictions Spring Fling which would have been held in October 2021 was cancelled.

NOTE 5. OTHER EXPENSES

	2022	2021
	\$	\$
Audit fees	1,900	1,800
Bank charges	1,048	496
Communications	3,575	3,425
Computer and IT costs	3,750	5,005
Other staffing & volunteer costs	447	770
Meeting and governance expenses	629	801
Printing and stationery	16,787	14,401
All other expenses	48,058	51,955
<b>Total other expenses</b>	<b>76,194</b>	<b>78,653</b>

NOTE 6. CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Cash in bank accounts	151,473	175,069
Cash in term deposits	100,717	100,465
Cash on hand	400	400
<b>Total cash and cash equivalents</b>	<b>252,590</b>	<b>275,934</b>

NOTE 7. RECEIVABLES

	2022 \$	2021 \$
Trade and sundry debtors	60,039	14,514
Provision for doubtful debts	-	-
<b>Total receivables</b>	<b>60,039</b>	<b>14,514</b>

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

	2022 \$	2021 \$
<b>Office furniture and equipment:</b>		
At cost	25,978	25,488
Accumulated depreciation	(21,933)	(18,765)
At Fair Value	13,521	13,521
Accumulated depreciation	(13,521)	(13,521)
<b>Total office furniture &amp; equipment</b>	<b>4,045</b>	<b>6,723</b>
<b>Program Equipment:</b>		
At cost	51,703	43,396
Accumulated depreciation	(39,319)	(35,558)
At Fair Value	3,452	3,452
Accumulated depreciation	(3,452)	(3,452)
<b>Total program equipment</b>	<b>12,384</b>	<b>7,838</b>
<b>Total property, plant, and equipment</b>	<b>16,429</b>	<b>14,561</b>

(a) Movements in carrying amounts

	PROGRAM EQUIPMENT \$	OFFICE FURNITURE & EQUIPMENT \$	TOTAL \$
<b>Carrying amount at 30 June 2020</b>	<b>16,277</b>	<b>7,811</b>	<b>24,088</b>
Additions	54	3,176	3,230
Disposals	-	-	-
Depreciation expense	(8,494)	(4,263)	(12,757)
<b>Carrying amount at 30 June 2021</b>	<b>7,837</b>	<b>6,724</b>	<b>14,561</b>
Additions	8,307	490	8,797
Disposals	-	-	-
Depreciation expense	(3,760)	(3,169)	(6,929)
<b>Carrying amount at 30 June 2022</b>	<b>12,384</b>	<b>4,045</b>	<b>16,429</b>

NOTE 9. PAYABLES

	2022	2021
	\$	\$
Trade and sundry creditors	13,343	35,139
Goods and services tax payable	10,702	1,658
Pay-as-you-go withholding tax payable	3,462	2,902
Superannuation payable	-	-
Bonds Held	310	200
<b>Total payables</b>	<b>27,817</b>	<b>39,899</b>

NOTE 10. INCOME RECEIVED IN ADVANCE

	2022	2021
	\$	\$
Grants in advance	96,943	71,274
Fees in advance	6,687	5,360
<b>Total income received in advance</b>	<b>103,630</b>	<b>76,634</b>

NOTE 11. PROVISIONS

	2022	2021
	\$	\$
<b>Current</b>		
Employee benefits		
Annual leave	12,000	22,194
Long-service leave	1,044	984
<b>Total current</b>	<b>13,044</b>	<b>23,178</b>
<b>Non-current</b>		
Employee benefits		
Long-service leave	-	3,684
<b>Total non-current</b>	<b>-</b>	<b>3,684</b>
<b>Total provisions</b>	<b>13,044</b>	<b>26,862</b>

(a) Movements in carrying amounts

	ANNUAL LEAVE \$	LONG SERVICE LEAVE \$	TOTAL \$
<b>Carrying amount at 30 June 2020</b>	<b>23,726</b>	<b>14,017</b>	<b>37,743</b>
Net provisions made during year	(1,532)	(9,349)	(10,881)
<b>Carrying amount at 30 June 2021</b>	<b>22,194</b>	<b>4,668</b>	<b>26,862</b>
Net provisions made during year	(10,194)	(3,624)	(13,818)
<b>Carrying amount at 30 June 2022</b>	<b>12,000</b>	<b>1,044</b>	<b>13,044</b>

NOTE 12. EQUITY AND RESERVES

(a) Movements in carrying amounts

	ASSET REVALUATION RESERVE \$	RETAINED EARNINGS \$	TOTAL EQUITY \$
<b>Balance at 30 June 2020</b>	<b>18,592</b>	<b>95,169</b>	<b>113,761</b>
Increase (decrease) for year	-	52,194	52,194
<b>Balance at 30 June 2021</b>	<b>18,592</b>	<b>147,363</b>	<b>165,955</b>
Increase (decrease) for year	-	21,201	21,201
<b>Balance at 30 June 2022</b>	<b>18,592</b>	<b>168,564</b>	<b>187,156</b>

(b) Nature and purpose of reserves

Asset revaluation reserve

The asset revaluation reserve is comprised of the changes in the fair value of fixed assets owned by the organisation, i.e., the difference between the book value less accumulated depreciation of any asset and the determined fair value.

Retained Earnings

This represents the level of unrestricted funds available for general use in the future.

NOTE 13. CASH FLOW INFORMATION

	2022 \$	2021 \$
<b>Reconciliation of net result from statement of comprehensive income with cash flow from operating activities</b>		
Net result for the period	21,201	52,194
Items in net result classified as investing activities		
Capital grants	-	-
Items in net result classified as financing activities		
Net interest received (paid)	-	-
Equity Invested in operating activities	-	-
Non-cash flows in net result		
Depreciation	6,929	12,757
Net (gain) loss on disposal of non-current assets	-	-
Changes in operating assets and liabilities		
(Increase) decrease in receivables	(45,525)	5,400
(Increase) decrease in prepayments & other current assets	1,752	26
Increase (decrease) in payables	(12,083)	15,743
Increase (decrease) in provisions	(13,817)	(10,881)
Increase (decrease) in income received in advance & other current liabilities	26,996	51,307
<b>Net cash inflow (outflow) from operating activities</b>	<b>(14,547)</b>	<b>121,595</b>

NOTE 14. OPERATING LEASE COMMITMENTS

The Centre had a 48-month operating lease on photocopy equipment which commenced in August 2019. At balance date the remaining lease commitment was \$2,282 (2021: \$4,238)

The Centre also has two peppercorn lease arrangement on property. The applicable lease commitment at balance date was \$106 (2021: \$104).

NOTE 15. AUDITORS' REMUNERATION

	2022 \$	2021 \$
Remuneration of the auditors of the association		
Audit of the annual financial report	1,900	1,800
<b>Total auditors' remuneration</b>	<b>1,900</b>	<b>1,800</b>

**NOTE 16. DIRECTORS' REMUNERATION AND ATTENDANCE**

**(a) Directors Remuneration**

Members of the Management Committee do not receive any remuneration for being a committee member. They are reimbursed for any reasonable expenses incurred that relate to their service as a Committee Member or the furtherance of the activities of the association.

**(b) Attendance at meetings**

COMMITTEE MEMBER	DATE APPOINTED	DATE RETIRED	MEETINGS ATTENDED	MEETINGS HELD*
Mr. Karl Hessian - Chair	1 February 2010	-	10	10
Mrs. Kathleen McPherson - Director	30 September 2013	-	9	10
Mr. Gary Dowling - Treasurer	21 September 2020	-	10	10
Mr. Tom Seddon - Director	30 November 2020	-	7	10
Mr. Bill Liddy - Director	26 October 2009	-	9	10
Mr. Benjamin O'Connor - Director	22 June 2015	-	9	10
Ms. Lorna Hannah - Vice Chair	7 October 2019	-	10	10
Mrs. Kay Oke - Secretary	7 October 2019	-	10	10
Ms. Kate Ritchie - Director	24 February 2020	-	10	10

\* Represents the number of meetings held in the year that the member was eligible to attend.

**NOTE 17. SUBSEQUENT EVENTS**

As at the date that this report was signed the committee members believed that there were no events after the balance date on 30 June 2022 that will have a material impact on the figures or other disclosures in this report.

**NOTE 18. ASSOCIATION DETAILS**

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

58 Errol Street  
North Melbourne VIC 3051



Hip Hop in the Park – April 2022



Centre Adventure to Cloudehill & Sky High – April 2022

## DECLARATION

Annual statements give a true & fair view of financial position and performance of the association.

**We, Karl Hessian and Gary Dowling, being members of The Centre: Connecting Community in North and West Melbourne Incorporated, certify that -**

The annual financial statements attached to this certificate, as set out on pages 9 to 20, give a true and fair view of the financial position and performance of The Centre: Connecting Community in North and West Melbourne Incorporated, during and at the end of the financial year of the association ending on 30 June 2022.

Signed:   
Karl Hessian - Chairperson

Signed:   
Gary Dowling - Treasurer

Dated this 26th day of September 2022

## INDEPENDENT AUDITORS REPORT

### **Independent Auditors Report to the Members of The Centre: Connecting Community in North & West Melbourne Inc.**

#### **Scope**

We have audited the financial statements of The Centre: Connecting Community in North & West Melbourne Inc. (the "Association") which comprises of the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, for the year ended 30<sup>th</sup> June 2022. The Committee is responsible for the financial statements. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements, so as to present a view which is consistent with our understanding of the Association's financial position, the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

#### **Audit Opinion**

In our opinion, the financial statements present fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements the financial position of The Centre: Connecting Community in North & West Melbourne Inc. as at 30<sup>th</sup> June 2022 and of the results of its operations for the year then ended.

DATED this 26<sup>th</sup> day of September 2022.



.....  
**Stephen George Le Couilliard**  
ASIC Registered Company Auditor No:8579  
JP Hardwick & Associates  
Unit 7, 617-643 Spencer Street  
West Melbourne, VIC 3003



## SOLVENCY STATEMENT

Association able to pay its debts as and when they fall due

**We, Karl Hessian and Gary Dowling, being members of The Centre: Connecting Community in North and West Melbourne Incorporated, certify that -**

At the meeting of the Board on the 26th day of September 2022 the committee accepted the annual financial statements attached to this certificate, as set out on pages 9 to 20, and further resolved that as at the date of this certificate the association was solvent and able to pay its debts as and when they fall due.

Signed:   
Karl Hessian - Chairperson

Signed:   
Gary Dowling - Treasurer

Dated this 26th day of September 2022.

## RISK ATTESTATION

Attestation of compliance with the Australian/New Zealand Risk Management Standard

**We, Karl Hessian and Gary Dowling, being members of The Centre: Connecting Community in North and West Melbourne Incorporated, certify that –**

- risk management processes are in place consistent with the Australian/New Zealand Risk Management Standard (or equivalent designated standard)
- an internal control system is in place that enables the management committee to understand, manage and satisfactorily control risk exposures
- the management committee have critically reviewed the risk profile of The Centre: Connecting Community in North and West Melbourne Inc. within the last 12 months.

Signed:   
Karl Hessian - Chairperson

Signed:   
Gary Dowling - Treasurer

Dated this 26th day of September 2022.

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

## CERTIFICATION

Certification by member of the Board

I, **Karl Hessian**, certify that –

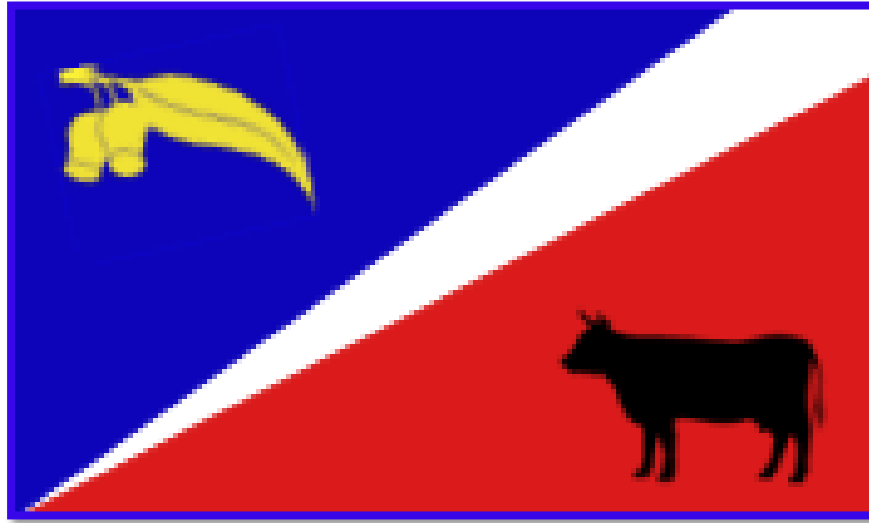
- i. I attended the annual general meeting of The Centre: Connecting Community in North & West Melbourne Inc. held on the 26th day of September 2022; and
- ii. That the annual financial statements for the year ended 30 June 2022 were submitted to the members of the association at its annual general meeting.

Signed: \_\_\_\_\_

  
Karl Hessian - Chairperson

Dated this 26<sup>th</sup> day of September 2022.

## North & West Melbourne Flag Competition



Winning Design: North & West Melbourne Flag Competition  
Design by Pat Connolly



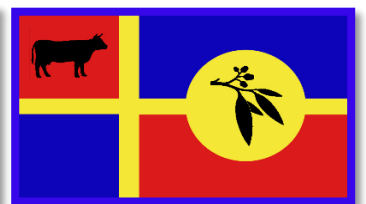
Design by: Jasmine Grima



Design by: Catherine



Design by: Nigel Quinlan



Design by: Pat Connolly



Design by: Sophie



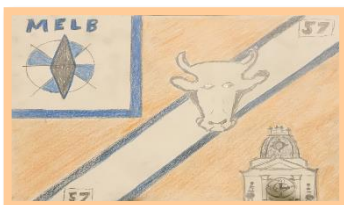
Design by: Sylvia Hungria



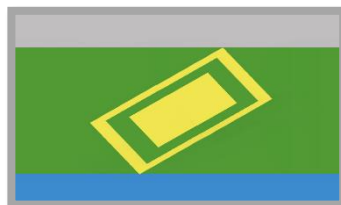
Design by: Sylvia Hungria



Design by: Sylvia Hungria



Design by: Thomas Whiteside



Design by: Geoffrey



Design by: Ellie Bond



Design by: Raj Motiani



Design by: Jay & Anthony Grima

