

Kinross Wolaroi School Parents & Friends Association

ABN 66 181 464 588

Financial Report - 31 December 2021

Kinross Wolaroi School Parents & Friends Association

Contents

31 December 2021

Committees' report	2
Auditor's independence declaration	3
Independent auditor's report to the members of Kinross Wolaroi School Parents & Friends Association	4
Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Committees' declaration	13

General information

The financial statements cover Kinross Wolaroi School Parents & Friends Association as an individual entity. The financial statements are presented in Australian dollars, which is Kinross Wolaroi School Parents & Friends Association's functional and presentation currency.

The financial statements were authorised for issue, in accordance with a resolution of Committees, on 24 March 2022. The Committees have the power to amend and reissue the financial statements.

**Kinross Wolaroi School Parents & Friends Association
Committees' report
31 December 2021**

The Committees present their report, together with the financial statements, on the Association for the year ended 31 December 2021.

Committees

The following persons were Committees of the Association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Sarah Glover - President (appointed 11 August 2021)
Leanne Lett - Vice President (appointed 11 August 2021)
Orion Jandera - Secretary (appointed 11 August 2021)
Jo Balcomb - Treasurer (appointed 11 August 2021)
Tanya Miller (resigned 11 August 2021)
Leiarna Dunworth (resigned 11 August 2021)
James Pearce (resigned 11 August 2021)
Belinda Nash (resigned 11 August 2021)

Committee Members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of the Association is to assist the Kinross Wolaroi School Council, Principal Staff and Students by both friend raising and fund raising. Funds raised are to be used for additional facilities, support and activities for the school.

Review of Results

The profit of the Association for the financial year amounted to \$2,348 (FY2020: loss \$46,360).

Meetings of Committees

There were no meetings of Committees held during the year ended 31 December 2021.

Significant Changes in the State of Affairs

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

Auditor's independence declaration

The lead auditors independence declaration for the year ended 31 December 2021 has been received and can be found on page 3 of the financial report.

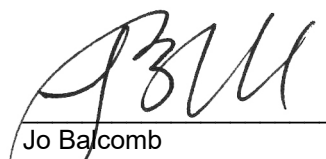
Events After the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

On behalf of the Committees



Sarah Glover
President



Jo Balcomb
Treasurer

24 March 2022

The Members
Kinross Wolaroi School Parents & R/Friends Association
Bathurst Road
Orange NSW 2800

24 March 2022

Dear Members

Auditor's Independence Declaration under subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*

In accordance with Subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Members of the Kinross Wolaroi School Parents & R/Friends Association.

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.



Nexia Sydney Audit Pty Limited



Andrew Hoffmann
Director

Independent Auditor's Report to the Members of Kinross Wolaroi School Parents & R/Friends Association

Report on the Audit of the Financial Report

Qualified opinion

We have audited the financial report, being a special purpose financial report, of Kinross Wolaroi School Parents & R/Friends Association (the Association), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Members' declaration.

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the accompanying financial report of the Association is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- i) giving a true and fair view of the Association's financial position as at 31 December 2021 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for qualified opinion

Funds raised from association activities are a significant source of fundraising revenue for the Association. The Association has determined that it is impracticable to establish controls over the collection of funds raised from association activities prior to entry into its financial records. Accordingly, as the evidence available to us regarding fundraising revenue from this source was limited, our audit procedures with respect to funds raised from association activities had to be restricted to the amounts recorded in the financial records. Therefore, we are unable to express an opinion whether funds raised from association activities recorded for the Association are complete.

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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other 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 qualified opinion.

Emphasis of matter regarding basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Members' financial reporting responsibilities under 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.

Members' responsibility for the financial report

The Members of the Association are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The Members are also responsible for such internal control as the Members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Members are 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 Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility 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.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_files/ar4.pdf. This description forms part of our auditor's report.



Nexia Sydney Audit Pty Limited



Andrew Hoffmann

Director

Dated: 24 March 2022

Kinross Wolaroi School Parents & Friends Association
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Note	2021 \$	2020 \$
Revenue			
Membership		22,680	-
Interest income		-	47
Expenses			
Audit fees		-	(1,100)
Donations paid		(20,332)	(45,307)
Surplus/(deficit) for the year	5	2,348	(46,360)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		<u>2,348</u>	<u>(46,360)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Kinross Wolaroi School Parents & Friends Association
Statement of financial position
As at 31 December 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	2	-	66,971
Trade and other receivables	3	20,950	-
Total current assets		<u>20,950</u>	<u>66,971</u>
Total assets		<u>20,950</u>	<u>66,971</u>
Liabilities			
Current liabilities			
Borrowings	4	-	48,369
Total current liabilities		<u>-</u>	<u>48,369</u>
Total liabilities		<u>-</u>	<u>48,369</u>
Net assets		<u>20,950</u>	<u>18,602</u>
Equity			
Retained surpluses	5	<u>20,950</u>	<u>18,602</u>
Total equity		<u>20,950</u>	<u>18,602</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Kinross Wolaroi School Parents & Friends Association
Statement of changes in equity
For the year ended 31 December 2021

	Retained profits \$	Total equity \$
Balance at 1 January 2020	64,962	64,962
Deficit for the year	(46,360)	(46,360)
Other comprehensive income for the year	-	-
Total comprehensive (loss) for the year	(46,360)	(46,360)
Balance at 31 December 2020	<u>18,602</u>	<u>18,602</u>
	Retained profits \$	Total equity \$
Balance at 1 January 2021	18,602	18,602
Surplus for the year	2,348	2,348
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>2,348</u>	<u>2,348</u>
Balance at 31 December 2021	<u>20,950</u>	<u>20,950</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Kinross Wolaroi School Parents & Friends Association
Statement of cash flows
For the year ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,903	52
Payments to suppliers (inclusive of GST)		<u>(20,505)</u>	<u>(46,412)</u>
Net cash used in operating activities	7	<u>(18,602)</u>	<u>(46,360)</u>
Net cash from investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Repayment of borrowings		<u>(48,369)</u>	<u>42,407</u>
Net cash (used in)/from financing activities		<u>(48,369)</u>	<u>42,407</u>
Net decrease in cash and cash equivalents		(66,971)	(3,953)
Cash and cash equivalents at the beginning of the financial year		<u>66,971</u>	<u>70,924</u>
Cash and cash equivalents at the end of the financial year	2	<u><u>-</u></u>	<u><u>66,971</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Kinross Wolaroi School Parents & Friends Association
Notes to the financial statements
31 December 2021

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the Committees' opinion, the Association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Charitable Fundraising Act 1991 and associated regulations requirements to prepare and distribute financial statements to the Committee of Kinross Wolaroi School Parents & Friends Association. The Committees have determined that the accounting policies adopted are appropriate to meet the needs of the Committee of Kinross Wolaroi School Parents & Friends Association.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Revenue recognition

The Association recognises revenue as follows:

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the Association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Note 1. Significant accounting policies (continued)

A liability is classified as current when: it is either expected to be settled in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 31 December 2021. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Current assets - cash and cash equivalents

	2021 \$	2020 \$
Cash at bank	-	66,971

Note 3. Current assets - trade and other receivables

	2021 \$	2020 \$
KWS account	20,950	-

Note 4. Current liabilities - borrowings

	2021 \$	2020 \$
KWS account	-	48,369

Kinross Wolaroi School Parents & Friends Association
Notes to the financial statements
31 December 2021

Note 5. Equity - retained surpluses

	2021	2020
	\$	\$
Retained surpluses at the beginning of the financial year	18,602	64,962
Surplus/(deficit) for the year	2,348	(46,360)
	<u>20,950</u>	<u>18,602</u>
Retained surpluses at the end of the financial year	<u><u>20,950</u></u>	<u><u>18,602</u></u>

Note 6. Events after the reporting period

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Association's operations, the results of those operations, or the Association's state of affairs in future financial years.

Note 7. Reconciliation of surplus/(deficit) to net cash used in operating activities

	2021	2020
	\$	\$
Surplus/(deficit) for the year	2,348	(46,360)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(20,950)	-
	<u>(18,602)</u>	<u>(46,360)</u>
Net cash used in operating activities	<u><u>(18,602)</u></u>	<u><u>(46,360)</u></u>

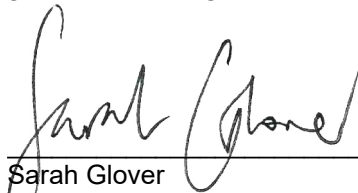
Kinross Wolaroi School Parents & Friends Association
Committees' declaration
31 December 2021

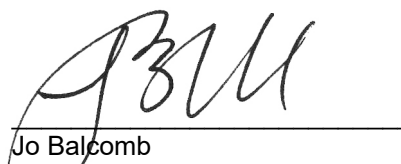
In the Committees' opinion:

- the Association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Charitable Fundraising Act 1991 and associated regulations to prepare and distribute financial statements to the Committee of Kinross Wolaroi School Parents & Friends Association;
- the attached financial statements and notes give a true and fair view of the Association's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Members pursuant to Regulation 60-15 of the Australian Charities and Not-for-profit Commission Regulation 2013.

On behalf of the Committees



Sarah Glover
President

Jo Balcomb
Treasurer

24 March 2022