Newcastle Youth Orchestra

ABN 89 161 722 756

Financial Statements

For the year ended 30 June 2019

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Newcastle Youth Orchestra

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Statement by Members of the Committee

For the year ended 30 June 2019

The Committee 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 Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Newcastle Youth Orchestra as at 30 June 2019 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.

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

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Certificate by Member of the Committee

For the year ended 30 June 2019

I, of [ENTER ADDRESS] certify that:

a. I attended the annual general meeting of the association held on .

b. The financial statements for the year ended 30 June 2019 were submitted to the members of the association at its annual general meeting.

Dated

Newcastle Youth Orchestra

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Independent Auditor's Report to the Members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Newcastle Youth Orchestra (the association), which comprises the Statement by Members of the Committee, Income and Expenditure Statement, Balance Sheet as at 30 June 2019, 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 2019 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.

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 – 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. 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.

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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 :

_____

Blair Andrew Powell, Registered Company Auditor 325660
WP Partners
34 Main Road BOOLAROO NSW 2284

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Income and Expenditure Statement

For the year ended 30 June 2019

	2019 $	2018 $
Income		
Donations received	7,394	8,225
Grants and funding	30,700	37,564
Membership fees	0	367
Other revenue	1,100	2,750
Sales	29,754	18,098
Orchestra Fees	23,263	33,101
Total income	92,211	100,104
Expenses		
Bank fees	109	106
General expenses	320	178
Printing & stationery	5,735	3,370
Subscriptions	1,233	1,177
Administrative contractors	20,000	20,000
Contractors fees	9,860	16,660
Superannuation	1,716	1,716
Travel - National	131	1,211
Venue Hire	15,756	13,029
Business expenses	1,369	1,175
Depreciation - Other	4,842	4,178
Advertising	606	359
Performance fee	18,130	9,625
Sheet music	4,672	3,921
Tutors fees	540	1,450
Production costs	25,724	1,966
Insurance	2,521	2,556
Rent	1,570	1,300
Telephone & internet	289	840
Total expenses	115,123	84,816
Profit (loss) from ordinary activities before income tax	**(22,912)**	**15,288**
Income tax revenue relating to ordinary activities	0	0
Net profit (loss) attributable to the association	**(22,912)**	**15,288**
Total changes in equity of the association	**(22,912)**	**15,288**

The accompanying notes form part of these financial statements.

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Income and Expenditure Statement

For the year ended 30 June 2019

	2019	2018
	$	$
Opening retained profits	41,008	25,721
Net profit (loss) attributable to the association	(22,912)	15,288
Closing retained profits	**18,096**	**41,008**

The accompanying notes form part of these financial statements.

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Detailed Balance Sheet as at 30 June 2019

	Note	2019	2018
		$	$
Current Assets			
Cash Assets			
Cash Card		191	178
Newcastle Youth Orchestra		8,173	18,626
NYO Donations		7,229	2,424
		15,593	21,229
Receivables			
Accounts receivable		3,320	5,069
		3,320	5,069
Total Current Assets		**18,913**	**26,298**
Non-Current Assets			
Property, Plant and Equipment			
Plant & equipment - At cost		33,840	33,840
Less: Accumulated depreciation		(14,813)	(10,167)
Computer equipment		1,827	1,827
Less: Accumulated amortisation		(1,238)	(1,042)
		19,615	24,457
Total Non-Current Assets		**19,615**	**24,457**
Total Assets		**38,529**	**50,755**
Current Liabilities			
Payables			
Unsecured:			
Other creditors		20,432	9,747
		20,432	9,747
Total Current Liabilities		**20,432**	**9,747**
Total Liabilities		**20,432**	**9,747**

The accompanying notes form part of these financial statements.

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Detailed Balance Sheet as at 30 June 2019

	Note	2019	2018
		$	$
Net Assets		**18,096**	**41,008**
Members' Funds			
Accumulated surplus (deficit)		18,096	41,008
Total Members' Funds		**18,096**	**41,008**

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act . The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals 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) Property, Plant and Equipment (PPE)

Leasehold improvements 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.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(b) 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.

(c) 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 three months or less.

(d) 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.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

(e) Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term. 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.

(f) 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 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 assets and liabilities statement are shown inclusive of GST.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

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Notes to the Financial Statements

For the year ended 30 June 2019

	2019	2018
Note 2: Council Funds		
Council Funds Received:	29,450	16,750
Less:		
Performance Fees	18,130	9,625
Production Costs	6,000	1,965
Venue Hire	4,500	5,267
Marketing	820	1,102
	0	**(1,209)**