

Association Report

Salt Church Incorporated

ABN 44673741909

For the year ended 31 December 2018

Prepared by Ricardo Accounting

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Income Statement

Salt Church Incorporated For the year ended 31 December 2018

	NOTES	2018	2017
Income			
Revenue		468,897	531,589
Total Income		468,897	531,589
Total Income			
		468,897	531,589
Expenses			
Employee Benefits Expense		350,909	402,670
Depreciation and Amortisation		17,197	16,850
Other Expenses		121,597	138,610
Total Expenses		489,703	558,130
Profit/(Loss) before Taxation		(20,806)	(26,542)
Net Profit/(Loss) for the Proprietor		(20,806)	(26,542)

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Income and Expenditure Statement

Salt Church Incorporated For the year ended 31 December 2018

	2018	2017
Income		
Grant Operating	-	12,510
Donations Income	450,968	494,739
Fundraising	17,754	24,098
Interest Received	176	241
Total Income	468,897	531,589
Gross Surplus	468,897	531,589
Expenditure		
Accounting fees	2,550	-
Administration Costs	46	4,799
Advertising	1,312	118
Audit Fees	1,964	-
Bank Charges	508	150
Camp Expenses	15,620	12,719
Catering & Event Expenses	10,133	9,992
Cleaning	1,406	971
Computer Expenses	68	913
Craft Supplies	2,163	-
Depreciation	17,197	19,892
Donations	2,104	4,121
Electricity	2,091	2,753
Equipment Purchases	676	-
Fees & Permits	1,023	3,963
FIEC Contribution	5,519	-
General Expenses	1,002	219
Guest Speaker Contribution	1,537	-
Hire of Plant & Equipment	-	3,060
Insurance	1,878	6,311
Insurance - Workers Comp	9,549	-
Leased Equipment	1,300	-
Memberships and Subscriptions	2,391	-
Postage	-	557
Printing & Stationery	2,906	4,014
Professional Services	570	-
Provisions - Leave	(3,845)	16,570
Rates & Taxes	135	133
Recruitment expenses	73	-
Rent	52,529	49,598
Repairs & Maintenance	768	4,171
Salaries & Wages	350,909	402,670

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Income and Expenditure Statement

	2018	2017
Security Costs	820	780
Software Purchases	555	-
Staff Training & Welfare	730	-
Subscriptions	-	3,541
Teaching Expenses	634	5,242
Telephone	880	873
Total Expenditure	489,703	558,130
Current Year Surplus/ (Deficit) Before Income Tax Adjustments	(20,806)	(26,542)
Current Year Surplus/ (Deficit) Before Income Tax	(20,806)	(26,542)
Net Current Year Surplus After Income Tax	(20,806)	(26,542)

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Assets and Liabilities Statement

Salt Church Incorporated As at 31 December 2018

	NOTES	31 DEC 2018	31 DEC 2017
Assets			
Current Assets			
Cash & Cash Equivalents		32,547	60,265
Trade and Other Receivables	2	2,920	2,804
Total Current Assets		35,467	63,069
Non-Current Assets			
Plant and Equipment, Vehicles	4	3,193	3,991
Land & Buildings	5	44,766	61,165
Other Non-Current Assets		-	75
Total Non-Current Assets		47,959	65,232
Total Assets		83,426	128,301
Liabilities			
Current Liabilities			
Trade and Other Payables	2	2,710	13,330
Income Tax Payable	7	3,428	5,424
Deferred Income	8	-	20
Provisions	9	12,725	24,157
Total Current Liabilities		18,863	42,931
Total Liabilities		18,863	42,931
Net Assets		64,563	85,369
Member's Funds			
Capital Reserve			
Current Year Earnings		(20,806)	(26,542)
Retained Earnings		85,369	111,911
Total Capital Reserve		64,563	85,369
Total Member's Funds		64,563	85,369

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Movements in Equity

Salt Church Incorporated For the year ended 31 December 2018

	2018	2017
Members Equity		
Opening Balance	85,369	-
Increases		
Surplus for the Period		
Profit Attributable to Members		
Current Year Earnings	(20,806)	(26,542)
Total Profit Attributable to Members	(20,806)	(26,542)
Total Surplus for the Period	(20,806)	(26,542)
Retained Earning	-	111,911
Total Increases	(20,806)	85,369
Total Members Equity	64,563	85,369

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes of the Financial Statements

Salt Church Incorporated For the year ended 31 December 2018

Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (NSW). The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

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.

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee Provisions

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

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 reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on Hand

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

These notes should be read in conjunction with the attached compilation report.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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 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.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

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 periods in which they are incurred.

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.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Accounts Payable and Other Payables

Accounts payable 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 that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

	2018	2017
1. Cash on Hand		
Cash and cash equivalents	32,547	60,265
Total Cash on Hand	32,547	60,265

	2018	2017
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2. Trade and Other Receivables

3. Related Party Transactions

Interest in Contracts

There have been no disclosed contracts entered into with related parties to the organisation

	2018	2017
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4. Plant & Equipment, Vehicles

Plant & Equipment

Plant and equipment at cost	5,216	5,216
Accumulated depreciation of plant and equipment	(2,023)	(1,225)
Total Plant & Equipment	3,193	3,991

Total Plant & Equipment, Vehicles	3,193	3,991
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	2018	2017
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5. Land & Buildings

Leasehold Improvements

Leasehold improvements at cost	109,328	109,328
Accumulated amortisation of leasehold improvements	(64,562)	(48,163)
Total Leasehold Improvements	44,766	61,165

Total Land & Buildings	44,766	61,165
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	2018	2017
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6. Trade & Other Payables

Trade Payables

Trade Payables	2,587	-
Total Trade Payables	2,587	-

Other Payables

Atwoods CMS	80	867
Craig Ballinger	43	524

These notes should be read in conjunction with the attached compilation report.

Footscray Church Plant Giving	-	1,255
Geneva Push Giving	(1)	595
MEA - Tim Canosa	-	10,089
Rounding	-	-
Total Other Payables	123	13,330
Total Trade & Other Payables	2,710	13,330
	2018	2017

7. Tax Payable

Income Tax Payable		
PAYG Withholdings Payable	3,428	5,424
Total Income Tax Payable	3,428	5,424
Total Tax Payable	(3,428)	(5,424)
	2018	2017

8. Deferred Income

Other Deferred Income		
Receipts in Advance	-	20
Total Other Deferred Income	-	20
Total Deferred Income	-	20
	2018	2017

9. Provisions

Provisions	12,725	24,157
Total Provisions	12,725	24,157
	2018	2017

10. Loans

These notes should be read in conjunction with the attached compilation report.

Depreciation Schedule

Salt Church Incorporated For the year ended 31 December 2018

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Plant & Equipment						
Optoma Projector	1,943	1,878	-	-	376	1,502
Speakers Amp and Cables	3,273	2,113	-	-	423	1,690
Total Plant & Equipment	5,216	3,991	-	-	798	3,193
Property Improvements						
2015 Fitout of 275 Keira Street	106,351	58,492	-	-	15,953	42,539
Outdoor Canopy	2,977	2,673	-	-	447	2,226
Total Property Improvements	109,328	61,165	-	-	16,399	44,766
Total	114,544	65,156	-	-	17,197	47,958

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Committee's Report

Salt Church Incorporated For the year ended 31 December 2018

Committee's Report

Your committee members submit the financial report of Salt Church Incorporated for the financial year ended 31 December 2019.

Committee Members

The names of committee members throughout the year and at the date of this report are

Ron Brayant
Jason Gundlach
Eloise Young

Principal Activities

Advancing Religion

Significant Changes

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

Operating Result

The surplus/(loss) after providing for income tax for the financial year:

2018

Operating Result

Surplus/(Loss)	
Current Year Earnings	(20,806)
Total Surplus/(Loss)	(20,806)
Total Operating Result	(20,806)

Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:

(President)

Date / /

(Treasurer)

Date / /

Statement by Members of the Committee

Salt Church Incorporated For the year ended 31 December 2018

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 as set out in the accompanying financial statements:

1) Presents a true and fair view of the financial position of Salt Church Incorporated as at 31 December 2018 and its performance for the year ended on that date.

2) At the date of this statement, there are reasonable grounds to believe that Salt Church Incorporated will be able to pay its debts as and when they fall due.

President:

Dated: / /

Treasurer:

Dated: / /

Auditor's report

Salt Church Incorporated For the year ended 31 December 2018

Independent Auditors Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Salt Church Incorporated (the association), which comprises the committee's report, the assets and liabilities statement as at 31 December 2018, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, 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.

Committee's Responsibility for the Financial Report

The committee of Salt Church Incorporated is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act (NSW) and is appropriate to meet the needs of the members. The committee's responsibility also includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Salt Church Incorporated as at 31 December 2018 and 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 (NSW)

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Salt Church Incorporated to meet the requirements of the Associations Incorporation Act (NSW). As a result, the financial report may not be suitable for another purpose.

Auditor's signature:

Timothy Ricardo

Auditor's address:

Level 1, 18 Barralong Rd
ERINA NSW 2250

Dated: / /

Auditors Independence Declaration

Salt Church Incorporated For the year ended 31 December 2018

To Members of Salt Church Incorporated

I declare that, to the best of my knowledge and belief, in relation to the audit of Salt Church Incorporated for the year ended 31st December 2018 there have been:

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

Timothy Ricardo

Ricardo Accounting

Level 1 18 Barralong Road Erina NSW 2250

Dated _____