

Southern Tablelands Arts Incorporated

ABN 67 208 214 681

Financial Report

For the Year Ended 31 December 2020

Southern Tablelands Arts Incorporated.

ABN 67 208 214 681

Contents

For the Year Ended 31 December 2020

Financial Report

Page

Committee Report	1
Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Statement by Members of Committee	15
Independent Auditor's Report	16

Southern Tablelands Arts Incorporated.

ABN 67 208 214 681

Committee Report **31 December 2020**

The committee members present their report on Southern Tablelands Arts Incorporated (the Association) for the financial year ended 31 December 2020.

Committee and Board Members

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

Susan Brindle	Michelle Storey
Rob Moran	Louise Wakefield
Mark Bradbury	Rose Marin
Joanne McCauley	Desmond Freeman
Louise Aston Wilder	

Principal Activities

The principal activities of the Association were to provide opportunities for surrounding communities and young people whilst increasing community engagement in arts and cultural activities.

No significant changes in the nature of the Association's activity occurred during the financial year.

Operating Result

The surplus after providing for income tax for the 2020 financial year amount to \$37,697 (2019: \$4,145)

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60-40 of the Australian Charities and Not-for-Profits Commission Act 2012 for the year ended 31 December 2020 has been received and can be found on page 2 of the financial report.

Signed in accordance with a resolution of the members of the committee.

Chairperson :.....
Susan Brindle

Dated:

Cabel Partners

Chartered Accountants
ABN 28 624 895 932



Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-Profits Commission Act 2012 to the Members of Southern Tablelands Arts Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Cabel Partners
Chartered Accountants

Phil Jones
Partner

Sydney

Xx May 2021

Southern Tablelands Arts Incorporated

67 208 214 681

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

		2020	2019
	Note	\$	\$
Revenue	4	87,632	98,057
Other income	4	232,092	213,875
Finance income	5	792	3,882
Employee expense		(140,628)	(192,023)
Depreciation expense		(699)	(498)
Other operating expenses	6	(141,492)	(119,148)
Surplus for the year before income tax		37,697	4,145
Income tax expense	2.a	-	-
Total Surplus and other comprehensive income for the year		37,697	4,145

Southern Tablelands Arts Incorporated

67 208 214 681

Statement of Financial Position

As at 31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	228,118	335,009
Trade and other receivables	8	5,940	-
Other assets	9	293	3,730
TOTAL CURRENT ASSETS		234,351	338,739
NON-CURRENT ASSETS			
Property, plant and equipment	10	2,016	2,715
TOTAL NON-CURRENT ASSETS		2,016	2,715
TOTAL ASSETS		236,367	341,454
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	20,828	31,065
Employee benefits	12	10,738	43,679
Other liabilities	13	40,394	140,000
TOTAL CURRENT LIABILITIES		71,960	214,744
NON-CURRENT LIABILITIES			
Other Non-current Liabilities	14	13,607	13,607
TOTAL NON-CURRENT LIABILITIES		13,607	13,607
TOTAL LIABILITIES		85,567	228,351
NET ASSETS		150,800	113,103
EQUITY			
Retained surplus		150,800	113,103
TOTAL MEMBER'S FUNDS		150,800	113,103

Southern Tablelands Arts Incorporated

67 208 214 681

Statement of Changes in Equity

For the Year Ended 31 December 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2020	113,103	113,103
Total Surplus and other comprehensive income for the year	37,697	37,697
Balance at 31 December 2020	150,800	150,800

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2019	108,958	108,958
Total Surplus and other comprehensive income for the year	4,145	4,145
Balance at 31 December 2019	113,103	113,103

Southern Tablelands Arts Incorporated

67 208 214 681

Statement of Cash Flows

For the Year Ended 31 December 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		92,089	108,363
Receipts from funding		225,132	211,864
Interest received		792	3,882
Payments to suppliers and employees		(424,904)	(317,107)
Net cash provided by/ (used in) operating activities	15	(106,891)	7,002
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment		-	(1,412)
Net cash provided by/ (used in) investing activities		-	(1,412)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase/(decrease) in cash and cash equivalents held		(106,891)	(5,589)
Cash and cash equivalents at beginning of year		335,009	329,420
Cash and cash equivalents at end of financial year	7	228,118	335,009

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements

For the Year Ended 31 December 2020

The financial statements cover Southern Tablelands Arts Incorporated ("the Association") as an individual entity. Southern Tablelands Arts Incorporated is a not-for-profit Association, incorporated in New South Wales under the Association Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2016.

The functional and presentation currency of Southern Tablelands Arts Incorporated is Australian dollars and all amounts reported have been rounded to the nearest dollar.

1. Basis of Preparation

The Committee have prepared the financial statements on the basis that the Association is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special-purpose financial statements that have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, *Australian Charities and Not-for-profits Commission Regulation 2013*, *Associations Incorporation Act (NSW) 2009* and *Associations and Incorporation Regulation (NSW) 2016*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, the disclosure requirements of the AASB 101 *Presentation of Financial Statements*, AASB107 *Statement of Cash Flows* and AASB108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB1054 *Australian Additional Disclosures*.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2. Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

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

On 12 March 2018, the Association entered into an operating lease agreement with Toyota Fleet Management for the provision of one (1) Suzuki Grand Vitara. The lease period is for 36 months and expires on 4 March 2021. The payments are made monthly with the maintenance and other related costs remaining with the Lessor.

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements

For the Year Ended 31 December 2020

Grant income

Grant revenue is recognised in the statement of profit or loss and other comprehensive income at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the expected useful life of the asset on a straight-line basis.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grants as income on receipt.

Interest

Interest income is recognised as it accrues, using the effective interest method.

Rendering of services

The Association receives revenue from holding events including but not limited to workshops, film events and other art and cultural events that benefit the Hilltops, Goulburn Mulwaree, Upper Lachlan, Wingecarribee, Wollondilly and Yass Valley Local Government areas.

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Costs include purchase price, other directly attributable costs and the initial estimated of the costs of dismantling and restoring the asset, where applicable

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements

For the Year Ended 31 December 2020

Depreciation

Property, Plant and equipment are depreciated on a straight-line basis over the assets' useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation Rate
Plant and Equipment	20%
Office Equipment	10-35%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-cost.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(g) Economic dependence

Southern Tablelands Arts Incorporated is dependent on Create New South Wales for the majority of its revenue used to operate the business. At the date of this report the Committee have no reason to believe Arts New South Wales will continue to support Southern Tableland Arts Incorporated.

In the opinion of the Committee, the Association has sufficient levels of cash and cash equivalent to service its debts as and when they fall due for at least the next 12-month period.

3. Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements

For the Year Ended 31 December 2020

Key estimates – Impairment of Property, Plant and Equipment

The Association assesses the impairment at the end of each reporting period by evaluation conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4. Revenue and Other Income

	2020 \$	2019 \$
Revenue		
- Service Income	87,632	98,057
	87,632	98,057
Other Income		
- Government Funding	140,000	140,000
- Other Funding	36,462	73,875
- Covid-19 Cashflow Boost	32,530	-
- JobKeeper Subsidy	23,100	-
	232,092	213,875
Total Revenue	319,724	311,932

5. Finance Income

Interest income	792	3,882
Total finance income	792	3,882

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements For the Year Ended 31 December 2020

6. Other operating expenses

	2020	2019
	\$	\$
Audit fees	3,000	3,970
Accounting fees	2,994	-
Consultant Fees	39,828	-
Event Expenses	41,666	59,596
Insurance	8,104	4,985
Motor Vehicle Expense	3,677	2,921
Rent and Lease Expense	17,601	20,835
Other Expenses	24,622	26,841
Total other operating expenses	141,492	119,148

7. Cash and Cash Equivalents

Cash at bank and in hand	228,118	145,009
Short-term Deposits	-	190,000
	228,118	335,009

8. Trade and Other Receivables

CURRENT

Trade receivables	25,853	19,913
Provision for Doubtful Debt	(19,913)	(19,913)
Total current trade and other receivables	5,940	-

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements For the Year Ended 31 December 2020

9. Other Assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	-	2,380
Accrued Income	-	1,240
Key Deposit	110	110
Goulburn Film Group	183	-
Total other assets	293	3730

10. Property, Plant and Equipment

Office equipment		
Cost	3,495	3,495
Accumulated depreciation	(1,479)	(780)
Net carrying value	2,016	2,715

11. Trade and Other Payable

CURRENT		
Trade payables	13,768	19,727
Sundry payables	1,052	128
Superannuation payable	2,621	1,954
PAYG Withholding payable	87	128
Accrued Expenses	3,300	9,128
Total Trade and Other payables	20,828	31,065

12. Employee benefits

CURRENT		
Provision for Annual leave	10,738	43,679
Total employee benefits	10,738	43,679

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements For the Year Ended 31 December 2020

13. Other liabilities

CURRENT	2020 \$	2019 \$
Grants in Advance – Create NSW	-	140,000
Project Income in Advance	32,023	-
PAYG Withheld	8,371	-
Total Other liabilities	40,394	140,000

14. Other non-current liabilities

Goulburn Film Group Reserve	13,607	13,607
Total other non-current liabilities	13,607	13,607

The Goulburn film Group Reserve has been established to provide for future costs associated with holding film events. Additions to the reserve are made based on the excess income earned from holding past film events in the Goulburn area.

15. Cash Flow information

Reconciliation of net income to net cash provided by operating activities:

Surplus for the year	37,697	4,145
Non-cash flows in profit:		
- depreciation	699	498
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(5,940)	2,100
- (increase)/decrease in other current assets	3,437	(3,249)
- increase/(decrease) in trade and other payables	(10,237)	(2,169)
- increase/(decrease) in provisions	(99,606)	(4,915)
- increase/(decrease) in employee benefits	(32,941)	10,592
Cashflows (to) / from operating activities	(106,891)	7,002

Southern Tablelands Arts Incorporated

67 208 214 681

Notes to the Financial Statements

For the Year Ended 31 December 2020

16. Contingencies and Capital Commitments

In the opinion of those charged with governance, the Association did not have any contingencies and capital commitments at 31 December 2020 (2019: None).

17. Events after the end of the Reporting Period

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

Southern Tablelands Arts Incorporated

67 208 214 681

Director's Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the relevant Australian Accounting Standards, *Australian Charities and Not-for-profits Commission Act 2012*, *Australian Charities and Not-for-profits Commission Regulation 2013*, *Associations Incorporation Act (NSW) 2009* and *Association Incorporation Regulation (NSW) 2016*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Chairperson.....

Susan Brindle

Dated:

Independent Auditor's Report to the Members of Southern Tablelands Arts Incorporated

Opinion

We have audited the accompanying financial report of Southern Tablelands Arts Incorporated, (the Association), being a special purpose financial report, which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director's declaration.

In our opinion the accompanying financial report gives a true and fair view of the Association's financial position as at 31 December 2020 and of its financial performance for the year ended and in accordance with:

- (i) *Division 60 of the Australian Charities and Not for profits Commission Act 2012, and the Associations Incorporation Act 2009 (NSW), including*
- (ii) *complying with Australian Accounting Standards to the extent described in Note 1.*

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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012 (ACNC Act)*, *Australian Charities and Not for Profits Commission Regulations 2013* and 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 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 opinion.

Other Information

Directors' are responsible for the other information. The other information comprises the information included in the Association's annual financial report for the year ended 31 December 2020 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Providing certainty

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the basis of fulfilling the Association's financial reporting responsibilities under the Associations Incorporation Act 2009 (NSW) and the Australian Charities and Not-For-Profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Directors' for the Financial Report

Directors of the Association are responsible for the preparation and fair presentation of the financial report in accordance with the relevant financial reporting requirements of the *Association Incorporation Act 2009 (NSW)*, the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities 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 responsible entities either intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

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 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 the financial report.

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

We communicate with those charged with governance 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.

Phil Jones
Partner

Cabel Partners
Chartered Accountants

North Sydney

XX May 2021