

NECCHI ANNUAL REPORT 2019-2020



NECCHI

Newlands and East Coburg
Neighbourhood Houses

12/11/12/11/11/11/11/11/11/11/11/11/11/11/11

Newlands and East Coburg Community Hubs Inc (Necchi) acknowledge the land of the Wurundjeri Woi wurrung people as the custodians of the lands and waterways in the area now known as Moreland, have never ceded sovereignty and remain strong in their enduring connection to land and culture.

We pay our respects to their elders, past present and emerging. Necchi aspires to be a part of the reconciliation processes between First Nations people that name past wrongs, redress injustice, identify mutual benefits and work together for justice and equality.



CONTENTS

Who are we?	4
Our Committee of Governance	4
Thank You!	6
Chair's Report	7
Manager's Report	8
Program Highlights	9
A Year in the life of Necchi	10
Treasurer Report 2020	13
Financial Report	14



We acknowledge the Wurundjeri as the traditional owners of the land we work on.



NECCHI is an inclusive, safe, and respectful space.



WHO ARE WE?

OUR COMMITTEE OF GOVERNANCE

Chair	Helen Rowe	Member	Eleanor Ferguson
Deputy Chair	Lori Arthur	Member	Emmily Caspi
Treasurer	Jas Streten	Member	Taryn D'Costa
Secretary	Bruce Mowson		

OUR STAFF

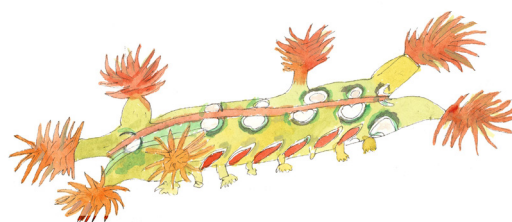
Manager	Rachael Cilauru	Admin.Coordinator	Hannah Fallowfield
Outreach, Grants & Volunteer Coordinator	Jenell Quinsee	Programs & Marketing Coordinator	Libby Henstock

OUR VISION

A strong, connected, and happy community where awesome things happen

OUR MISSION

- To deliver bold initiatives to advance social justice and sustainability
- To build the well-being of individual community members and the resilience and cohesion of our neighbourhoods
- To Take a lead in community-led action on environmental sustainability



WHO ARE WE (CONTINUED)



Only two years ago, Newlands and East Coburg Neighbourhood houses merged under the banner of NECCHI (Newlands and East Coburg Community Houses Incorporated) – where both houses would be managed under one organisation – a model we have not seen before in Melbourne.

Over the last two years, NECCHI has been lucky to experience the passion, enthusiasm, and diligence that the previous team (including Lee, Ash and Shilo, Sundos and Shakilah) have offered our community. Their hard-work and dedication has opened the door to new possibilities for countless people across Moreland. On behalf of our community and the team, we would like to say a huge thank you for everything they have given to the NECCHI community over the last two years.

COVID-19 has drastically changed the way we work, learn, socialise, and almost every other way we move through the world. We can't deny the challenges we're all facing but in times of great upheaval, there are also opportunities to pull together and make change for the better. NECCHI is no different – we are adapting the way we operate to respond to COVID-19 and at the same time, looking at ways that we can change to work better with our community.

A big change will be that, as a new team, will be combining our work across both houses. NECCHI staff will rotate across both sites to be more available to our community and provide a better service. We are realising the initial concept of NECCHI as one organisation with two houses to create social change.

NECCHI has a new team of passionate, talented and committed workers who will be working at both houses to create programs, partnerships and lasting social action for the community.



THANK YOU!

We will be saying good bye to a founding member of our board, we would like to Thank Emmily Caspi for all her hardwork and dedication to the building of Necchi. Also Eleanor Ferguson for her long term volunteering at Necchi both at East Coburg and as a board member.

We would like to thank you to our fabulous tutors and facilitators who teach, entertain and look after our community. A special thanks to Rose, Anme and the Spanish playgroup for showcasing amazing programs within the community.

We applaud and celebrate the ongoing and exciting activism that Sarita Galvez has seeded within East Coburg Neighbourhood House – starting with the Creekulum project and continuing with the Merri Merri project. Her political and social work has seeded many moments of inspiring working with our first nations community.

We are grateful for the ongoing support and partnership from the staff at Moreland Council including Nalika Perisis, Emma Sampson, Teishan Adhern and Veronika Pradel. Thanks Judy Lazarus at the Northwest Neighbourhood House Networker for her always sage and needed advice.

We would like to thank Claire Mosley for her wonder artwork that beautifully describes both the Merri creek and its surrounding flora and fauna.



CHAIR'S REPORT

Well, what a year 2020 has turned out to be...

Our mission to build a stronger, connected and happy Coburg community was challenged with the arrival of COVID and social restrictions which seemed like it would put some significant obstacles in our path this year to achieving our mission.

Social isolation, working from home, home-schooling and curfews have certainly challenged us all but our Coburg community has shown how resilient, kind and supportive it can be.

NECCHI has been impacted along with our community. Our houses were closed early on and we have had staff working from home since March. We have had to find creative ways to stay connected with our community and deliver a large part of our programs online.

For this, I'd like to say a very big thanks to NECCHI's Manager, Rachael Cilauro. In just over twelve months in the role she has shown great enthusiasm and innovation to drive the delivery of our mission despite the challenges of the year. Programs such as 'Love in the time of COVID 19', community pantry and the 'Moreland 5KM' campaign were quickly developed to keep the community connected and NECCHI connected with our participants, to offer support and highlight some of the fantastic offerings to enjoy close to home.

The closure of the houses gave us some time to reflect on our organisational structure which resulted in some significant staff changes.

Rather than separate program coordinators at East Coburg and Newlands, we have adopted a 'One team - One house' approach which improves internal efficiencies and supports a greater focus on community engagement and partnerships.

The structure change meant that we said goodbye to Shilo Hillman, Ash Lee and Shakilah Wesonga and I thank them again for their time with us and their contributions over recent years, the community and NECCHI have appreciated your efforts. Jenell Quinsee continues with us but in a new role as Outreach, Grants and Volunteer Coordinator and we welcome Libby Henstock (Program Coordinator) and Hannah Fallowfield (Administration Coordinator) who commenced with us in July and we look forward to working with the new team.

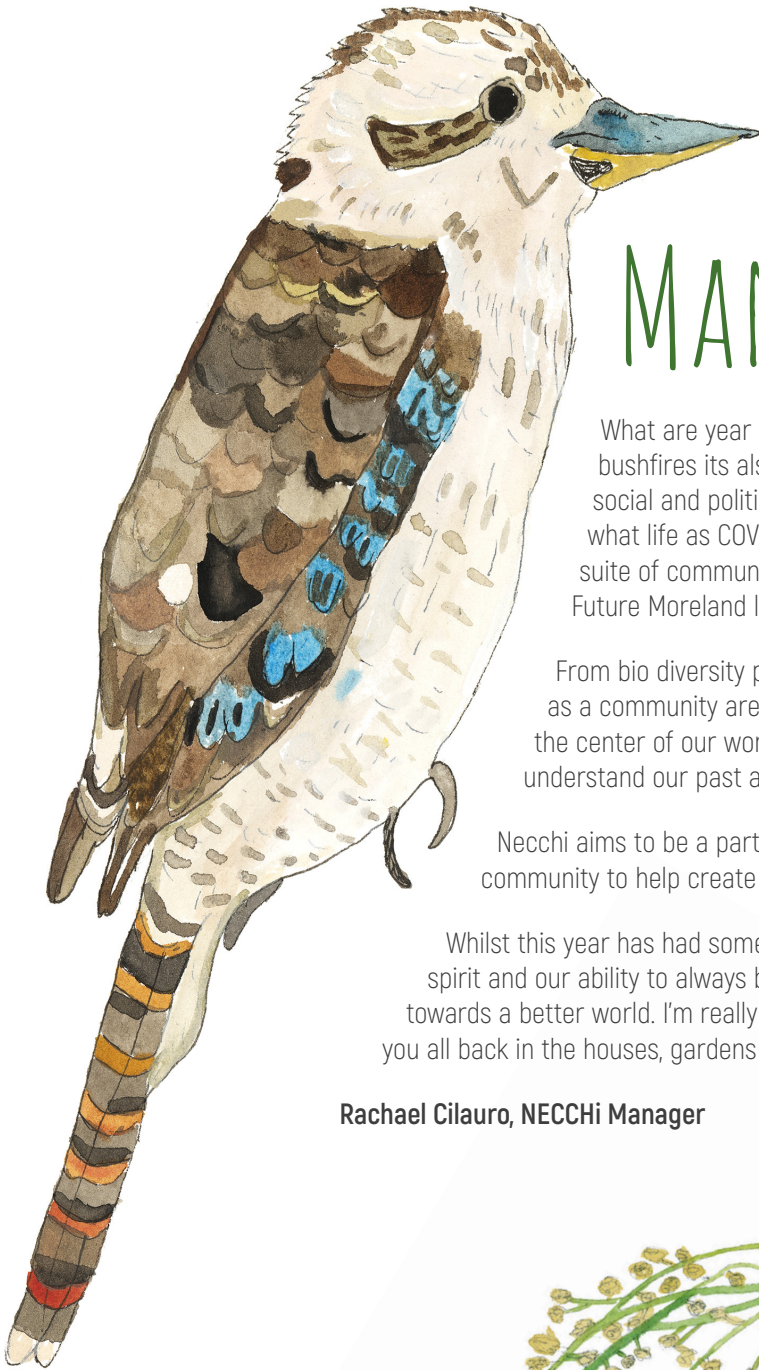
At this AGM, the Board will unfortunately be losing some of our beloved members, Emmily Caspi and Elenor Ferguson. With her community development background, Emm has been an invaluable Board member over the past 3 years, providing critical insight into financial and governance matters in the not for profit sector. Eleanor came onto the Board in 2019 after volunteering for NECCHI and being nominated in the Moreland City Council Volunteer of the Year Awards for her contributions. Both Emm and Eleanor are leaving for personal reasons and I thank them for their contribution to NECCHI and wish them the very best.



I would also like to thank Moreland City Council, Department of Health and Human Services (DHHS) and Neighbourhood House Networker, Judy Lazarus, for their continued supports to NECCHI either financially and administrative and support of all of NECCHI's great partners. In particular this year, the wonderful staff at City of Moreland, including for hosting our regular Moreland Neighbourhood House Chair meetings which have been a wonderful opportunity to share information across houses.

Lastly, I would also like to thank the other members of the Board for their participation during the year. Volunteering your time above already busy daily lives to contribute to NECCHI, and in turn, our Coburg community is greatly appreciated.

Helen Rowe, NECCHI Committee of Governance Chair



MANAGER'S REPORT

What are year 2020 has been. Whilst its been a year of pandemic and bushfires its also seen the sparks of community building and moments of social and political change that have inspired us to re think and re imagine what life as COVID normal looks like. In the next few months we have a suite of community built programs that question, explore and shape what Future Moreland looks like.

From bio diversity projects through to community engagement art projects we as a community are supporting and building a world that sees climate action at the center of our work. We also work looking at our First Nation communities to understand our past and relationship to country.

Necchi aims to be a part of social action and change building the capacity of the community to help create this movement.

Whilst this year has had some challenges, I see it ultimately as a test of community spirit and our ability to always bond together, help each other out, fill out plates and work towards a better world. I'm really looking forward to what 2021 has to bring. I hope to see you all back in the houses, gardens and backyards soon.

Rachael Cilauro, NECCHI Manager



PROGRAM HIGHLIGHTS

HOW NECCHI CREATES SOCIAL CHANGE?

QUEERS DRAW THIS

Queers Draw this is a program that runs out of East Coburg NH which has swiftly shifted into a zoom environment during COVID19. It has supported and celebrated Moreland local GLBTIQIA community members to share, create and connect during Covid isolation. This fabulous program created a seed project which has flourished into a Moreland Thrive grant Queers Make This, which will see drawing turn into a whole range of creative activities for the community.

I am a 50 year old non-binary person living in Moreland. I have thoroughly enjoyed the opportunity for my 11 year old child and I to attend and participate in life-drawing classes online with Margaret! Especially during lockdown it has allowed us the chance to connect with other LGBTQI+ people in a peaceful and affirming environment - it's definitely something we look forward to during our work/school week. My child absolutely relished the opportunity to dress up and model for the class and was delighted to add to their pocket money coffers. It means so much to have opportunity to be ourselves AND be learning AND be paid for contributions. This definitely opens up a range of opportunities for us post-COVID and meanwhile it is contributing to our mental health and wellbeing, and positive family dynamics in isolation.

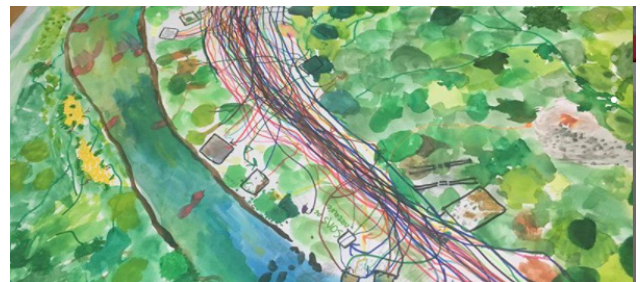
Drawing from Queers Draw this classes



CREEKULUM

Another successful partnership which has seeded further development is the Creekulum project with Moreland Primary, last year saw the final celebration of the project at EC NH with students showcasing their artworks and songs that celebrated the Merri. Young people of Moreland lead this project including the fantastical menu of nachos, fizzy drinks and some top shelf empanadas. We look forward to following on from this project with further explorations of the Merri Creek with indigenous elders with the Moreland funded Along the Merri Merri project which will roll out in 2021.

Basket Weaving with Aunty Judy Nicholson – creating a learning circle down on the merri with Aunty Judy Nicholson to understand basket weaving from native grasses.



A YEAR IN THE LIFE OF NECCHI

SOCIAL ACTION IN A TURBULANT WORLD

2020 saw bushfires and pandemics which neighbourhood houses responded to as essential sites of political and social action. During febuarys? Bush fires community members bound together to use EC to sew pouches for wildlife in Gippsland effected by the fire. NUCA continue to run a range of projects to empower and educate the community around climate action.

We have seen the ways that community bonds together to help, support and connect each other during what is a ever changing and challenging world. The East Coburg

Community Care group formed to provide community aid to its community As a part of this response

Responding to COVID 19 NECChi created a community pantry at the front of the East Coburg site.

Community were invited to take any items they needed and also put items there for other members of their community. Responses to the pantry were really lovely with people commenting on what a kind thing to do in such a difficult time.



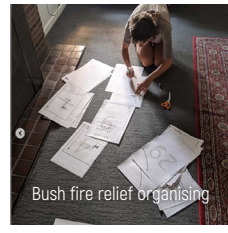
Clockwise from top right: Community Pantry at East Coburg, Amne from the Arabic Women's Group, the Friday Community Lunch at East Coburg,, preparing food for the community lunch, Gardening Group at Newlands, displays of the poster work 'Solidarity' at Newlands by Indonesian artist Fiji DK.



Recording audiobooks for Love in the time of COVID



Sewing animal pouches following the bush fires



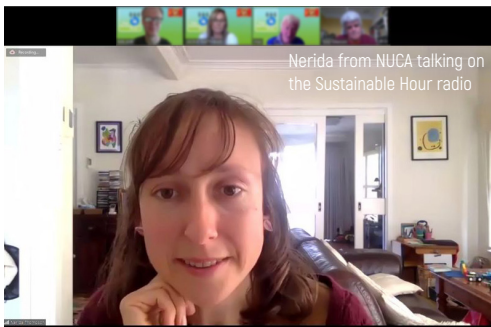
Bush fire relief organising



Fermenting workshop

LOVE IN THE TIME OF COVID

We also created a love in the time of covid newsletter where we shared community stories and an audio book of some of our great communities members reading aloud.



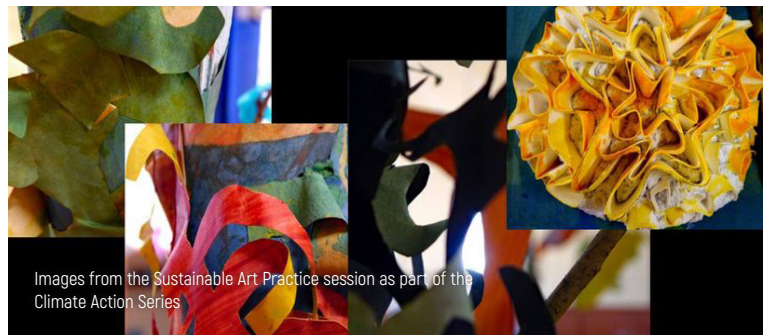
Nerida from NUCA talking on the Sustainable Hour radio



East Coburg Neighbourhood House
 web: www.necchi.org
 Phone: 9913 5472

CLIMATE ACTION SERIES

Neighbours United for Climate Action (NUCA) in partnership with Newlands Parents for Climate Action (NP4CA) delivered the Community Climate Action Series throughout 2019-20. This series of workshops, talks, and informations sessions were being run from the Newlands Neighbourhood House at the end of 2019 and the start of 2020. The bush fires early in 2020 highlighted how important action on climate change is as people across Moreland attended the sessions. The Community Climate Action Series quickly adapted to online delivery in response to COVID - even growing the number of people who were able to participate! The series had continued support from our local communities and has engaged participants from communities across Australia and the world.

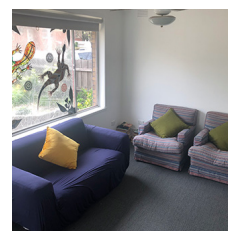
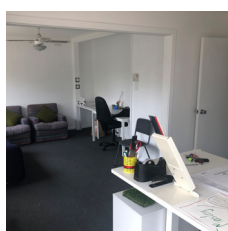
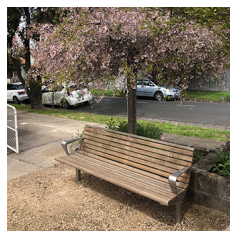


Images from the Sustainable Art Practice session as part of the Climate Action Series

INSIDE EAST COBURG RENEW

East Coburg has had some internal moving and shaking. We have moved the office to the big front room that enables us more space and the beautiful opportunity to connect with community who now come and spend time in the front part of the house. This front room has been painted as well as all of the doors (we learnt there are 19 doors at this site - so many for such a small house!)

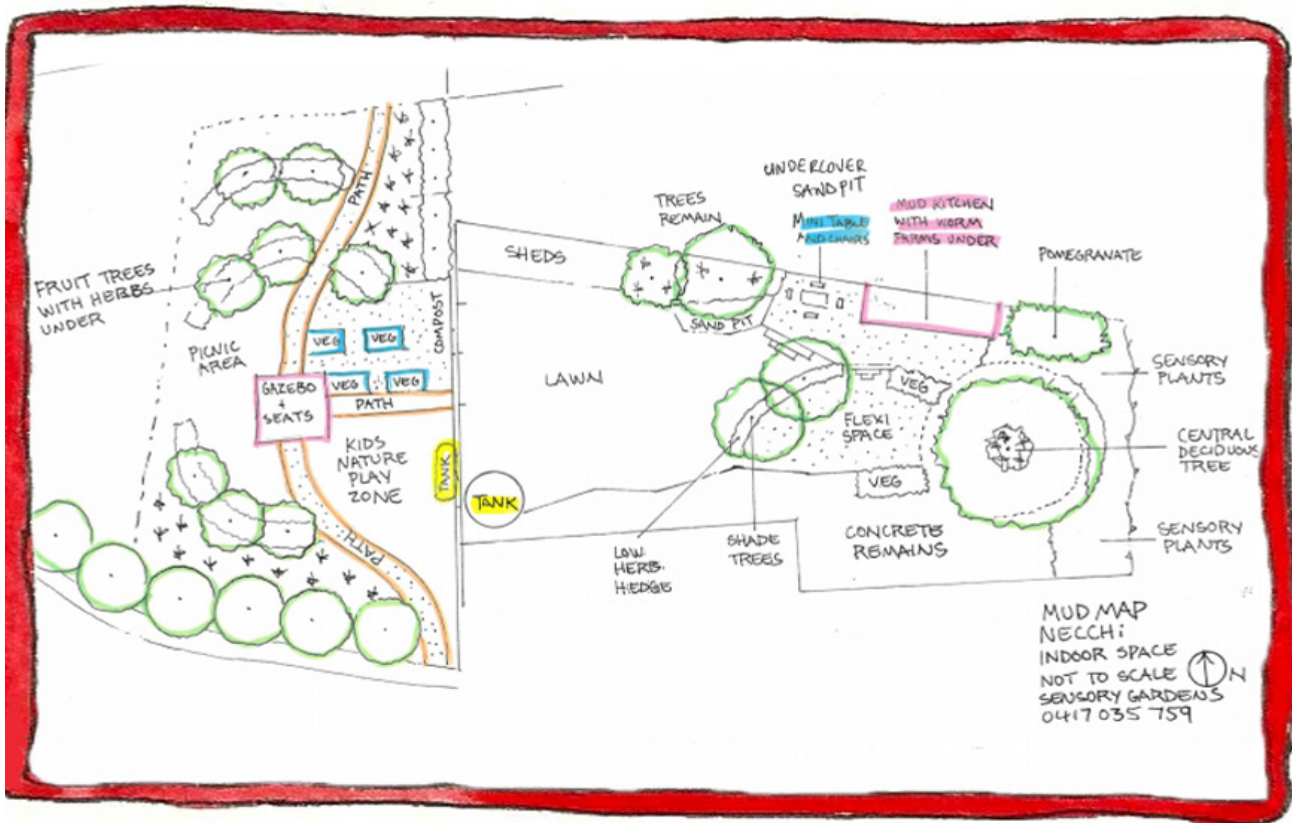
Council installed seating, a drink fountain (with a dog bowl)! Many people now come and sit, have their lunch, chat on their phones and interact with us. It is now really such a lovely space for community engagement and connection. Members of the Arabic Women's Group have helped plant more flowers in the garden and everything is in full spring bloom and so pretty. It gets many complimentary comments from community.



NEWLANDS GARDEN GROUP – COX RESERVE PARTNERSHIP WITH COMMUNITY!

The Newlands Garden Group are a lovely, fun and active group meeting and working on the back garden. They share their skills and knowledge and welcome all to the space. Consultation with the group resulted in their contributions being included in the successful application for the Moreland City Council Capital Works Partnership Grant for redeveloping the back yard and implementing a community garden in the adjoining Cox Reserve Parkland.

We are looking forward to 2021 reimagining both cox reserve and the back area at Newlands for future generations of NH community members.



FIKARAS AND HEART, HEAD HANDS SPIRIT

Hi! My name is Fikaris and I am a visual artist, illustrator, designer and publisher based in Moreland. I recently worked on the design and painting of the mural 'Mystical Growth' for Necchi.

The titles' inspiration comes from my sense of mystery, awe, and fascination for life, the changes we go through and my awareness of the importance of nature. I hope you like it and there's some of that feeling seen it.

Recently I asked the manager of NECCHI to help me put together a program for the summer, 'Head Heart Spirit Hands'. We're excited to collaborate with anyone in Moreland for this series of workshops. The aim is approach the need for connection with dialogue about creating a new set of posters to let out some feelings relating to social isolation and this ride we've been on the last 6 months. Let's do this!



FINANCIAL REPORT

TREASURER REPORT 2020

NECCHI has finished the 2020 Financial Year in a strong financial position. This is despite the impact of COVID-19.

The total income from day to day operation or core activity for the 2020 financial year was \$ 425,000 down from the 2019 financial years total of \$ 445,000. The pandemic caused a significant loss of income over the previous year of \$ 28,000 from having to stop taking room bookings and running programs. This loss in income was offset by 2 lots of COVID-19 Cash Flow Boosts totalling \$ 55,000. Due to stable sources of income from State Government grants and Moreland City Council NECCHI did not qualify for Jobseeker.

Income from once off projects was also down. This income does not contribute to NECCHI's ongoing operation and is matched directly to an expense. So although showing a decrease the nett result is zero.

Expenses for the 2020 financial year were slightly higher from \$ 423,000 to \$ 449,000. A nett increase of \$ 26,000. The increase in expense was from one of staffing costs related to changes in staffing roles and responsibilities at the houses.

Looking forward to the end of the 2021 Financial Year COVID-19 will continue to have an impact on the finances of NECCHI. Initially NECCHI had budgeted for a loss of \$ 34,000 for the 2021 financial year. Due to the ongoing impact of COVID-19 this has been revised to profit of \$19,456.40.

As the restrictions from COVID-19 change this may need to be revised. NECCHI continues to have the certainty of ongoing funding from Moreland City Council & from the State Government. This ongoing funding is sufficient to meet NECCHI's day to day costs.

At the beginning of the 2019 financial year NECCHI had \$ 373,000 in cash as at 30th June 2020 NECCHI had \$ 352,000 in cash.

Despite the impact of COVID-19 with ongoing funding NECCHI has sufficient funds available to continue as a going concern. In the coming year NECCHI will continue to invest in activities and services that meet the needs of the community in a financially stable manner.

Thank you to all who have contributed to the success of NECCHI over the last 12 months from the Committee of Governance to the staff and volunteers.



NEWLANDS & EAST COBURG COMMUNITY HUB INC

ABN 54 794 801 039

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2020

NEWLANDS & EAST COBURG COMMUNITY HUB INC

ABN 54 794 801 039

CONTENTS

Statement of Profit or Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Reserves	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Responsible Person's Declaration	14
Auditor's Independence Declaration	15
Independent Auditor's Report	16

NEWLANDS & EAST COBURG COMMUNITY HUB INC
ABN 54 794 801 039

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue from Ordinary Activities	4	39,891.39	67,953.84
Revenue from Grants	5	341,534.56	437,055.02
Revenue from Other Activities	6	56,746.89	4,333.54
TOTAL REVENUE		438,172.84	509,342.40
Program Costs	7	54,907.81	68,459.68
Grant Project Costs	8	2,730.41	55,229.23
Staffing Expenses	9	338,005.18	239,871.98
Occupancy Costs	10	35,189.78	40,385.63
Administration Costs	11	18,294.25	16,540.34
Other Expenses	12	595.51	2,911.51
TOTAL EXPENSES		449,722.94	423,398.37
Surplus/(Deficit) before income tax		(11,550.10)	85,944.03
Income tax expense	2(d)	-	-
Other comprehensive income		-	-
Total comprehensive income for the year		(11,550.10)	85,944.03

The accompanying notes form part of these financial statements.

NEWLANDS & EAST COBURG COMMUNITY HUB INC
ABN 54 794 801 039

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Debit Card		428.16	428.73
Cash at Bank – Operating Account		352,570.15	373,857.07
Petty Cash – Coburg		-	188.50
Petty Cash – Newlands		-	155.00
Trade Debtors		1,271.10	10,832.54
TOTAL CURRENT ASSETS		354,269.41	385,461.84
NON-CURRENT ASSETS			
Plant & Equipment		19,295.91	19,295.91
Less Accumulated Depreciation		(4,989.49)	(1,896.37)
TOTAL NON-CURRENT ASSETS	15	14,306.42	17,399.54
TOTAL ASSETS		368,575.83	402,861.38
CURRENT LIABILITIES			
Trade Creditors		1,011.31	3,229.70
Superannuation Payable		6,888.95	4,777.02
ATO Debt		(10,903.00)	10,781.00
GST Payable		115.55	677.35
Customer Deposits		300.00	-
Prepaid Income	13	46,200.00	48,471.32
Provision for Annual Leave		9,248.00	7,659.87
TOTAL CURRENT LIABILITIES		52,860.81	75,596.26
NET ASSETS		315,715.02	327,265.12
SHARE CAPITAL AND RESERVES			
Retained Earnings		315,715.02	327,265.12
TOTAL SHARE CAPITAL AND RESERVES		315,715.02	327,265.12

The accompanying notes form part of these financial statements.

NEWLANDS & EAST COBURG COMMUNITY HUB INC
ABN 54 794 801 039

STATEMENT OF CHANGES IN RESERVES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Total comprehensive income for the year		(11,550.10)	85,944.03
Retained earnings at the beginning of the financial year		327,265.12	241,321.09
Total available for appropriation		<u>315,715.02</u>	<u>327,265.12</u>
Retained earnings at the end of the financial year		<u>315,715.02</u>	<u>327,265.12</u>

The accompanying notes form part of these financial statements.

NEWLANDS & EAST COBURG COMMUNITY HUB INC
ABN 54 794 801 039

CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		487,801.42	586,073.55
Payments to suppliers and employees		(510,373.30)	(607,655.74)
Interest received		940.89	4,333.04
Net cash from Operating Activities	14	(21,630.99)	(17,249.15)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Plant and Equipment		-	(10,919.19)
		-	(10,919.19)
NET INCREASE / (DECREASE) IN CASH HELD		(21,630.99)	(28,168.34)
Net increase / (decrease) in cash held		(21,630.99)	(28,168.34)
Cash at the beginning of the financial year		374,629.30	402,797.64
Cash at the end of the financial year		352,998.31	374,629.30

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

1. Basis of preparation

The financial report is a special purpose report that has been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, for use by the Committee and members of the Association. The Committee have determined that the Association is not a reporting entity.

The financial report covers Newlands and East Coburg Community Hub Inc as an individual entity. Newlands and East Coburg Community Hub Inc is an Association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

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 stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

2. Summary of Significant Accounting Policies

a. Revenue

Revenue comprises income from services provided, government grants and fundraising activities. Income from other activities is shown in Note 6.

Revenue is measured by reference to the fair value of consideration received or receivable by the Association for services provided.

Revenue is recognised when the amount of income can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Association's different activities have been met. Details of the activity-specific recognition criteria are described below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

2. Summary of significant accounting policies (continued)

a. Revenue (continued)

Government Grants

A number of the Association's programs are supported by grants received from the government.

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

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Association obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the Association receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Program Income

Fees charged for services provided to participants of the various programs are recognised when the service is provided.

Room Rental

Fees are charged to clients on provision of the use of Association's facilities and are recognised when the service is provided.

Interest Income

Interest income is recognised on an accrual basis using the effective interest method

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

2. Summary of significant accounting policies (continued)

b. Operating expenses

Operating expenses are recognised in the profit or loss upon utilisation of the service or at the date of their origin.

Rent

As required by Australian Accounting Standards 1058 (AASB 1058), the Committee has elected to recognise the rent from Moreland City Council at cost not fair value.

As required by the Standard in choosing this election the details of the licence with Moreland City Council are provided as follows:-

- The organisation has a high dependence on the Lease arrangements with Moreland City Council for both the premises at 32 Nicholson Street Coburg and 20 Murray Road Coburg
- Both Leases with Moreland City Council are for a value of \$1 per financial year
- Both Leases commenced on the 2 January 2018 for a term of 5 years

Voluntary Services

As required by Australian Accounting Standards 1058 (AASB 1058), the Committee has elected to not recognise as an expense or asset, any Voluntary Services provided as those services:-

- Cannot be measured reliably and
- The Association would not have purchased those services if they had not been donated.

c. Non-current Assets

Each non-current Asset is carried at cost less, where applicable any accumulated depreciation and any accumulated impairment losses.

Depreciation

The depreciable amount of all fixed assets is depreciated over their useful lives to the Association commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Computer Equipment	14%
Office Equipment	15%
Coffee Cart	25%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

2. Summary of significant accounting policies (continued)

d. Income Taxes

No provision for income tax has been raised as the Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

e. Employee benefits

Short-term benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries.

Long-term benefits

The Association's liabilities for annual leave is included in other long term benefits as they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service.

The Association presents employee benefit obligations as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement for at least 12 months after the reporting period, irrespective of when the actual settlement is expected to take place.

f. Deferred Income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

2. Summary of significant accounting policies (continued)

g. 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. 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.

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

h. Economic dependence

The Association is dependent upon the ongoing receipt of Government grants and use of Moreland Council Facilities to ensure the ongoing continuance of its programs.

At the date of this report, management has no reason to believe that this financial support will not continue.

i. Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

3. Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses has been provided. Actual results may be substantially different.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

NEWLANDS & EAST COBURG COMMUNITY HUB INC
ABN 54 794 801 039

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

4. Revenue from Ordinary Activities

Program Income	31,695.64	53,698.86
Room Rental	8,195.75	14,254.98
	<u>39,891.39</u>	<u>67,953.84</u>

5. Revenue from Grants

Department of Health & Human Services	232,493.66	220,465.86
Moreland City Council (MCC) Grants	96,358.22	90,948.00
MCC – Supporting Volunteer Grant	4,471.32	22,027.28
MCC – Community Partnership	2,050.00	3,490.92
Garden Grant	-	25,207.00
Coffee Cart Grant	-	6,620.32
Arabic Women’s Group Grant	-	6,466.00
Youth Traineeship Program	6,161.36	-
Other Grants	-	61,829.64
	<u>341,534.56</u>	<u>437,055.02</u>

6. Revenue from Other Activities

Interest	940.89	4,333.04
Fundraising and Donations	-	0.50
COVID 19 Cash Flow Boost	55,806.00	-
	<u>56,746.89</u>	<u>4,333.54</u>

NEWLANDS & EAST COBURG COMMUNITY HUB INC
ABN 54 794 801 039

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	This Year	Last Year
	\$	\$
7. Program Costs		
Program Facilitator	40,255.13	45,651.96
Program Consumables	2,377.10	2,929.04
Program Equipment	-	1,950.45
Advertising & Promotion	12,275.58	17,928.23
	<u>54,907.81</u>	<u>68,459.68</u>
8. Grant Project Costs		
Arabic Women's Grant	-	3,740.56
Coffee Cart Expenses	459.09	2,309.93
Garden Grant EC	-	26,106.01
Moreland Volunteer Program	2,271.32	23,072.73
	<u>2,730.41</u>	<u>55,229.23</u>
9. Staffing Expenses		
Wages	301,395.86	210,045.59
WorkCover	2,098.03	2,776.74
Superannuation	26,135.22	19,614.38
Staff Recruitment (Contractor Fees)	3,000.00	-
Staff Development	681.82	6,982.52
Travel & Accommodation	23.24	203.51
Conferences	107.48	-
Portable Long Service Leave	4,369.99	-
Staff Gifts	193.54	249.24
	<u>338,005.18</u>	<u>239,871.98</u>
10. Occupancy Costs		
Cleaning & Pest Control	10,252.23	10,282.36
Computer and IT Services	3,114.29	9,839.67
Depreciation	3,093.12	1,532.25
Furniture	1,298.39	2,152.71
Office Supplies	1,957.30	3,005.01
Repairs and Maintenance	6,724.25	8,769.77
Telephone & Internet	3,252.20	4,431.35
Utilities	5,348.00	372.51
Garden Supplies	150.00	-
	<u>35,189.78</u>	<u>40,385.63</u>

NEWLANDS & EAST COBURG COMMUNITY HUB INC
ABN 54 794 801 039

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	This Year	Last Year
	\$	\$
11. Administration Costs		
Administration	150.00	-
Audit & Bookkeeping	9,354.08	5,678.44
Bad Debts	884.30	-
Bank Fees	815.80	917.83
Consulting	210.00	3,220.00
Insurance	293.86	290.42
Membership Fees & Permits	1,963.02	2,178.26
Photocopier and prints	4,623.19	4,255.39
	18,294.25	16,540.34
12. Other Expenses		
Hospitality & Consumables	585.96	2,534.15
Volunteer Costs	-	377.36
Sundry	9.55	-
	595.51	2,911.51
13. Prepaid Income		
<p>Moreland Volunteer Program Unused (\$2,271.32 in 2019FY) - this amount represents the balance of Grant to be transferred to the Lead Neighbourhood House - Reynard Street.</p> <p>Auspice Fund - Eric Street (\$46,200 in 2019 & 2020FY) - This amount represents funds held in Trust for DHHS on a proposed project that has not yet commenced. DHHS will instruct NECCHI the entity to transfer the funds to on approval of the proposed project.</p>		
14. Cash Flow Information		
<i><u>Reconciliation of Cash Flow from Operations with Profit</u></i>		
Net surplus/(deficit) for the period	(11,550.10)	85,944.03
<i>Non-cash flows in operating surplus/(deficit):</i>		
Depreciation	3,093.12	1,532.25
<i>Net changes in working capital:</i>		
Changes Net Tax Liability	(22,245.80)	(12,964.57)
Changes Superannuation Payable	2,111.93	1,562.22
Changes in Provisions	1,588.13	(116.20)
Changes in Trade Creditors and other payables	(1,918.39)	3,229.70
Changes in Trade Debtors	9,561.44	(7,885.54)
Changes Prepaid Income	(2,271.32)	(88,551.04)
	(21,630.99)	(17,249.15)

NOTES TO THE FINANCIAL STATEMENTS

15. Full Schedule of Assets – Detailed Period 1/7/2019 – 30/6/2020

Asset Name	Asset Class	Description	Acquisition Date	Acquisition Cost	Depreciation Rate	Opening Written Down Value	Straight-Line Depreciation Value	Accumulated Depreciation	Closing Written Down Value
Laptop	Computer Equipment	Laptop purchased for Manager	14/12/2017	\$ 2,520.00	14%	\$ 1,975.82	\$ 352.800	\$ 896.98	\$ 1,623.02
Desktops	Computer Equipment	2 Desktop Machines and monitors with office 2016 installed	12/02/2018	\$ 3,205.89	14%	\$ 2,587.37	\$ 448.825	\$ 1,067.34	\$ 2,138.55
Laptop	Computer Equipment	Lenovo ThinkPad T540P i5 Laptop	27/06/2018	\$ 2,650.83	14%	\$ 2,276.66	\$ 371.116	\$ 745.28	\$ 1,905.55
Computers	Computer Equipment	Computer Equipment for office	20/12/2018	\$ 1,134.00	14%	\$ 1,050.49	\$ 147.068	\$ 230.58	\$ 903.42
Total Computer Equipment				\$ 9,510.72		\$ 7,890.34	\$ 1,319.81	\$ 2,940.19	\$ 6,570.53
Coffee Cart	Coffee Cart	Coffee Cart with wheels purchased from Bunnings	25/03/2019	\$ 844.75	15%	\$ 811.08	\$ 121.66	\$ 155.34	\$ 689.41
Coffee Machine	Coffee Cart	1 Coffee Machine purchase from Just Planet	2/04/2019	\$ 4,680.31	15%	\$ 4,509.13	\$ 676.37	\$ 847.55	\$ 3,832.76
Café Chairs	Coffee Cart	Café Style chairs purchased for Coffee Cart	24/04/2019	\$ 740.00	15%	\$ 719.62	\$ 107.94	\$ 128.32	\$ 611.68
Total Coffee Cart				\$ 6,265.06		\$ 6,039.83	\$ 905.97	\$ 1,131.21	\$ 5,133.85
Chairs	Office Equipment	10 Stacking Chairs	2/04/2019	\$ 646.49	25%	\$ 607.08	\$ 151.770	\$ 191.18	\$ 455.31
Dishwashers	Office Equipment	Dishwasher for Newlands & Coburg Community Centre	24/06/2019	\$ 2,210.00	25%	\$ 2,200.92	\$ 550.229	\$ 559.31	\$ 1,650.69
LCD Smart TV	Office Equipment	55" Hitachi LED LCD Smart TV	27/06/2019	\$ 663.64	25%	\$ 661.37	\$ 165.342	\$ 167.61	\$ 496.03
Total Office Equipment				\$ 3,520.13		\$ 3,469.37	\$ 867.3414	\$ 918.11	\$ 2,602.02
TOTAL PLANT & EQUIPMENT				\$ 19,295.91		\$ 17,399.54	\$ 3,093.12	\$ 4,989.49	\$ 14,306.42

NEWLANDS & EAST COBURG COMMUNITY HUB INC

ABN 54 794 801 039

RESPONSIBLE ENTITIES' DECLARATION

In the opinion of the Committee Members of Newlands and East Coburg Community Hub Inc. :

1. The financial statements and notes of Newlands and East Coburg Community Hub Inc. are in accordance with the *Australian charities and Not-for Profits Commission Act 2012*, including:
 - a) Giving a true and fair view of its financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
 - b) Complying with Australian Accounting Standards including the Australian Accounting Interpretations and the *Australian Charities and Non-for-profits Commission Regulation 2013* ; and
2. In the committee members' opinion there are reasonable grounds to believe that Newlands and East Coburg Community Hub Inc will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the committee.



28.7.20
Date

Gas Stretten.

28th July 2020
Date



Collins & Co Audit Pty Ltd

127 Paisley Street
Footscray VIC 3011
Australia

Phone (03) 9680 1000
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AUDITOR'S INDEPENDENCE DECLARATION TO THE MEMBERS OF NEWLANDS & EAST COBURG COMMUNITY HUB INC A.B.N. 54 794 801 039

In accordance with the requirements of section 60-40 of the Australian Charities and Not for Profits Commission Act 2012, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-Profits Commission Act 2012 in relation to the review; and
- ii. No contravention of any applicable code of professional conduct in relation to the review.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Dated this 31st day of July 2020



NEWLANDS & EAST COBURG COMMUNITY HUB INC
A.B.N. 54 794 801 039
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Newlands and East Coburg Community Hub Inc (the Association), which comprises the balance sheet as at 30 June 2020, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with *the Australian Charities and Not for Profits Commission Act 2012* and *the Associations Incorporation Reform Act 2012*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2020 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards as per Note 1, *the Australian Charities and Not for Profits Commission Act 2012* and *the Associations Incorporation Reform Act 2012*.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. I am 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Newlands and East Coburg Community Hub Inc to meet the requirements of the *Australian Charities and Not for Profits Commission Act 2012* and *the Associations Incorporation Reform Act 2012*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management 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, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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

My 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.