

**Port Phillip Community Group  
Annual Report  
for the Year Ended 30 June 2010**

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**Port Phillip Community Group  
Financial Statements  
For the Year ended 30th June 2010**

**Port Phillip Community Group**  
**Balance Sheet**  
**As at 30 June 2010**

	2010	2009
	\$	\$
<b>EQUITY AND RESERVES</b>		
Equity	343,856	308,527
<b>TOTAL EQUITY AND RESERVES</b>	343,856	308,527
Represented By:		
<b>CURRENT ASSETS</b>		
Cash on Hand	1,900	1,250
Cash at Bank – CBA NILS	-	2,303
Cash at Bank – CBA Exec	7,960	14,770
Cash at Bank - SPISS	778	572
Cash at Bank - MECU	-	20,000
Cash at Bank – Online Account	30,000	-
Sundry Debtors	198	19,065
Prepayments	1,447	1,447
	42,283	59,406
<b>NON CURRENT ASSETS</b>		
Property Improvements	10,000	10,000
Plant & Equipment	3,689	3,689
Less Accumulated Depreciation	3,358	3,289
	331	400
Motor Vehicles	48,843	8,168
Less Accumulated Depreciation	2,198	2,940
	46,645	5,228
Office Equipment	72,387	72,387
Less Accumulated Depreciation	59,886	50,781
	12,500	21,605
Furniture & Fittings	39,862	39,862
Less Accumulated Depreciation	38,636	38,515
	1,226	1,347
	70,702	38,581
<b>INVESTMENTS</b>		
Investments - CBA	760,000	605,000
	760,000	605,000
<b>INTANGIBLE ASSETS</b>		
Formation Expenses	166	166
	166	166

*The accompanying notes form part of these financial statements.*

**Port Phillip Community Group  
Balance Sheet  
As at 30 June 2010**

	2010	2009
	\$	\$
<b>OTHER ASSETS</b>		
Shares (Macaulay Credit Co-op)	-	5
	<u>-</u>	<u>5</u>
<b>TOTAL ASSETS</b>	<u>873,152</u>	<u>703,158</u>
<b>CURRENT LIABILITIES</b>		
PAYG Withholding	3,733	3,171
Sundry Creditors	-	2,356
Provision for Annual Leave	32,609	33,004
Provision for Additional Workcover	3,500	-
Provision for GST	(3,509)	3,813
Project Reserve Fund	11,777	12,623
Grants in Advance	218,268	121,497
Key Deposit	3,610	2,600
	<u>269,988</u>	<u>179,064</u>
<b>NON CURRENT LIABILITIES</b>		
Provision for Long Service Leave	46,309	42,587
Renovation Building Reserve	213,000	172,980
	<u>259,309</u>	<u>215,567</u>
<b>TOTAL LIABILITIES</b>	<u>529,297</u>	<u>394,631</u>
<b>NET ASSETS</b>	<u>343,856</u>	<u>308,527</u>

*The accompanying notes form part of these financial statements.*

**Port Phillip Community Group  
Income Statement  
For the Year ended 30 June 2010**

	2010	2009
	\$	\$
<b>INCOME</b>		
Membership Fees	-	18
Admin. Charges	130,325	91,291
Course Fees	1,861	4,011
Interest Received	25,174	27,545
Rent Received	6,090	6,761
Reimbursements	19,985	17,096
Donations	63,694	50,335
Sundry Receipts	6,239	3,620
Grants & Subsidies	924,105	799,044
Hall Hire	11,651	12,546
	1,189,124	1,012,267
<b>EXPENDITURE</b>		
Administration	200,237	149,052
Emergency Relief	103,076	103,705
Employment Expenses	72,888	59,552
Occupancy	67,369	48,721
Other	72,338	94,770
Projects	18,485	-
Organisational Costs	14,598	9,256
Salaries & Wages	564,784	475,855
Loss on Sale of Vehicle	761	-
Sinking Fund Provision	40,020	30,000
	1,154,556	970,911
<b>OPERATING PROFIT</b>	34,568	41,356

*The accompanying notes form part of these financial statements.*

**Port Phillip Community Group  
Statement of Changes in Equity  
For the Year ended 30 June 2010**

	2010	2009
	\$	\$
Retained Profits at the beginning of the financial year	308,527	267,066
Prior Year Adjustments	760	105
Profit attributable to members	34,568	41,356
<b>RETAINED EARNINGS AT 30 JUNE 2010</b>	<u><u>343,856</u></u>	<u><u>308,527</u></u>

*The accompanying notes form part of these financial statements.*

**Port Phillip Community Group**  
**Notes to and forming part of the Financial Statements**  
**For the Year ended 30th June 2010**

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**NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report that has been prepared in accordance with the Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

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 Group in preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Income Taxes**

The Group is not liable for tax as it is recognized as a public benevolent institution by both Federal and State legislation. Donations to the Group in excess of \$2 are eligible for a tax deduction.

**Property, Plant & Equipment**

Each Class of Plant & Equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant & Equipment are measured on the cost basis.

The carrying amount of plant & equipment is reviewed annually by the Group to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The depreciable amount of all fixed assets are depreciated on a fixed line basis over the useful lives of the assets to the Group commencing from the time the asset is held ready for use.

The Depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	9% - 20%
Office Equipment	20% - 40%
Furniture & Fittings	10% - 40%

**Special Project Funds**

Any unexpected specific project funds are treated as unearned revenue and are brought to account when expenditure commitments have been undertaken.

**Port Phillip Community Group**  
**Notes to and forming part of the Financial Statements**  
**For the Year ended 30th June 2010**

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**Employee Benefits**

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of the GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognized as part of the cost of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

**Group Details**

The principal place of business of the Group is at:  
161 Chapel Street, St. Kilda 3182

**Commitments For Expenditure**

There are no commitments for future expenditure other than may be required for the acquittal of specific project funds.

**Contingent Liabilities**

The Committee is not aware of the existence of any contingent liabilities either at the end of the year or up to the date of these financial statements.

**PORT PHILLIP COMMUNITY GROUP**  
**STATEMENT OF CASH FLOWS**  
For the period ending 30th June 2010

	2010	2009
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from grants, etc.	1,282,771	1,068,608
Payments to suppliers and employees	(1,105,546)	(918,179)
Interest received	25,174	27,545
	-----	-----
Net cash provided by (used in) operating activities (Note 2)	202,399	177,974
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from (payment for) property, plant and equipment and motor vehicles	(45,661)	(38,178)
Proceeds from (payment for) investments	(154,995)	(127,589)
	-----	-----
Net cash provided by (used in) investing activities	(200,656)	(165,767)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from (payment for) borrowings	-	(11,000)
	-----	-----
Net cash provided by (used in) financing activities	-	(11,000)
Net increase (decrease) in cash held	1,743	1,207
Cash at beginning of year	38,895	37,688
	-----	-----
Cash at end of reporting period (Note 1)	40,638	38,895

**PORT PHILLIP COMMUNITY GROUP**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
For the period ending 30th June 2010

**2010**

**2009**

**NOTES TO THE STATEMENT OF CASH FLOWS**

**NOTE 1. RECONCILIATION OF CASH**

For the purposes of the statement of the cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts

(a) Reconciliation of Cash

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash	40,638	38,895
	-----	-----
	40,638	38,895
	=====	=====

**NOTE 2. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT**

Operating Profit(Loss) after income tax	34,568	41,356
Depreciation	12,199	10,339
(Increase)/decrease in debtors	18,867	(3,580)
Increase/(decrease) in creditors	(8,106)	6,481
Increase/(decrease) in provisions and reserves	47,340	35,912
Increase/(decrease) in grants in advance	96,771	87,466
Loss on sale of vehicle	760	-
	-----	-----
	202,399	177,974
	=====	=====

# Port Phillip Community Group Ltd

## Directors' Report

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Your Directors present their financial accounts on the company for the 12 months ended 30 June 2010.

### DIRECTORS

The names of Directors in Office at any time during or since the end of the 12 months are:

Jeffrey Lyons	Carol Mayell
James Holmes	Pamela O'Neil
John Tansey	Mario Borg
Marie Hapke	Shayne Barns
Sandy Joffe	

### OPERATING RESULTS

The profit of the Company for the 12 months after providing for income tax amounted to \$34,568 (2009 \$41,356)

### REVIEW OF OPERATIONS

A review of the operations of the company during the 12 months and the results of those operations found that there have been no significant changes to operations in the past 12 months.

#### Revenue and Expenditure:

There were no significant changes in the nature of our revenue and expenses in this 12 month period. During the past year we continued to focus on streamlining and aligning our operations with our core purpose, and as a result, expenses have been reduced and should continue to run at a lower run rate per month.

#### Staffing:

There were no significant changes in staff during this period.

### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the state of affairs of the company occurred during the period.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the 12 months remained community development activities.

There were no significant changes in the nature of the company's principal activities during the financial year.

### AFTER BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future periods.

## Port Phillip Community Group Ltd Directors' Report (Cont'd)

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### LIKELY DEVELOPMENTS

The company expects to maintain the present status and level of operations and hence there are no likely developments in the company's operations

### ENVIRONMENTAL ISSUES

The company's operations are subject to environmental regulations under a law of the Commonwealth and of a State or Territory.

There are no significant regulations with which the operations are unable to comply.

### DIVIDENDS PAID OR RECOMMENDED

The memorandum of association of the company prohibits the payment of dividends.

### INFORMATION ON DIRECTORS

The information on directors is as follows:

Carol Mayell resigned Nov 2009.

Mario Borg resigned Aug 2010.

### MEETINGS OF DIRECTORS

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number Attended
Jeffrey Lyons	9	7
Carol Mayell	4	3
Mario Borg	9	4
Sandy Joffe	9	9
James Holmes	9	5
John Tansey	9	6
Shayne Barns	9	8
Marie Hapke	9	7
Pamela O'Neil	9	9

## Port Phillip Community Group Ltd Directors' Report (Cont'd)

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### OPTIONS

The company is limited by Guarantee. No options over issued shares or interests in the company were granted during or since the end of the period and there were no options outstanding at the end of the period.

### INDEMNIFICATION OF OFFICER OR AUDITOR

During the year, the company has paid premiums in respect of an insurance contract to indemnify officers against liabilities that may arise from their position as officers of the company. Officers indemnified include the company secretary, all directors and all executive officers participating in the management of the company.

Further disclosure required under section 300(9) of the Corporations Act 2001 is prohibited under the terms of the contract.

### PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors.

Director

Dated this

day of

2010



**J L COLLYER & PARTNERS**  
ACCOUNTANTS & AUDITORS

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187-189 Coleman Parade  
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Email: [jan@jcollyerpartners.com.au](mailto:jan@jcollyerpartners.com.au)

## INDEPENDENT AUDITOR'S REPORT

### To the members of PORT PHILLIP COMMUNITY GROUP

#### Report on the Financial Report

We have audited the accompanying financial report, being a general purpose financial report, of PORT PHILLIP COMMUNITY GROUP which comprises the balance sheet as at 30<sup>th</sup> June 2010 and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

#### *Directors' Responsibility for the Financial Report*

The directors of PORT PHILLIP COMMUNITY GROUP are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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.

DIRECTORS  
JANET L. COLLYER FCPA  
LIONEL R. ARNOLD CA B.BUS  
RAELENE LAI CPA B.COM



Chartered Accountants

LIABILITY LIMITED BY A SCHEME APPROVED  
UNDER PROFESSIONAL STANDARDS LEGISLATION

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 judgement, 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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


#### *Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* provided to the directors of PORT PHILLIP COMMUNITY GROUP on 1<sup>st</sup> October 2010 would be in the same terms if provided to the directors as at the date of this auditor's report.

#### *Auditor's Opinion*

In our opinion the financial report of PORT PHILLIP COMMUNITY GROUP is in accordance with the *Corporations Act 2001*, including :

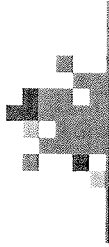
- (a) giving a true and fair view of PORT PHILLIP COMMUNITY GROUP's financial position as at 30<sup>th</sup> June 2010 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with *Corporations Regulations 2001*.



Janet Collyer

**J L COLLYER & PARTNERS**

DATED: 1<sup>st</sup> October 2010



**J L COLLYER & PARTNERS**  
ACCOUNTANTS & AUDITORS

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Email: bcatax@jcollyerpartners.com.au

**STATEMENT OF AUDITOR INDEPENDENCE – 30<sup>TH</sup> JUNE 2010**

**PORT PHILLIP COMMUNITY GROUP**

I confirm that to the best of my knowledge and belief, there have been –

- (i) no contraventions of the auditor independence of the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions in relation to the applicable code of conduct in relation to the audit.

.....*J.L. Collyer*.....

Janet L Collyer  
1<sup>st</sup> October 2010

DIRECTORS  
JANET L. COLLYER FCPA  
LIONEL R. ARNOLD CA B.BUS  
RAELENE LAI CPA B.COM



Chartered Accountants

LIABILITY LIMITED BY A SCHEME APPROVED  
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