

**ABORIGINAL EDUCATION COUNCIL (NSW) INC.
87 588 237 557**

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2014**

**ABORIGINAL EDUCATION COUNCIL (NSW) INC.
87 588 237 557**

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ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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COMMITTEE'S REPORT

Your committee members submit the financial report of the Aboriginal Education Council (NSW) Inc. for the financial year ended 31 December 2014.

Committee Members

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

Janet Mooney
Bill Muir
Sharon Galleguillos
Dianne Butland
Alexandra Rivers
Alison Mathews
Oliver Harvey
Terry Denzel
Sharon Anderson (resigned March 2014)
Charlene Enzim-Boyd (appointed August 2014)

Principal Activities

The principal activities of the association during the financial year were:

To work for the advancement of Aboriginal people in NSW through the provisions of greater educational opportunities.

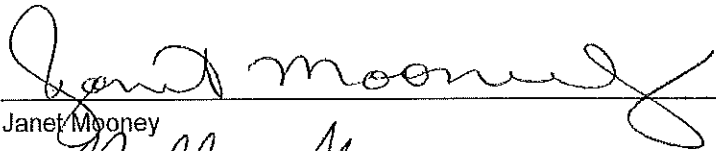
Significant Changes


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

Operating Result

The loss after providing for income tax amounted to \$(39,179.00).

Signed in accordance with a resolution of the Members of the Committee.

Committee Member: 
Janet Mooney

Committee Member: 
Sharon Galleguillos

Dated this 28th day of April 2015

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 \$	2013 \$
INCOME			
Donations		5,494	7,249
Interest Received		58,763	64,118
		64,257	71,367
OTHER INCOME			
Bequests		1,500	-
Membership Fees		110	45
Royalties Received		1,829	801
Trust Income		32,607	39,579
Gross profit from trading		61,232	93,203
		97,278	133,628
		161,535	204,995

The accompanying notes form part of these financial statements.

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 \$	2013 \$
EXPENDITURE			
Aboriginal Studies Text		682	-
Advertising & Promotion		1,028	366
Auditors Remuneration - Fees		5,500	4,028
Bank Charges		302	298
Computer Expenses		1,130	452
Conference Expenses		9,238	3,969
Depreciation		84	128
Financial Assistance		-	1,660
Fringe Benefits Concession		-	16,044
Insurance		4,054	4,167
Leasing- Office Equipment		3,633	3,744
Postage		316	1,152
Printing & Stationery		1,795	320
PW Competition		7,575	6,254
Rent		1,364	1,364
Repairs & Maintenance		324	1,466
Salaries		33,275	29,000
Scholarships - Alan Duncan		15,000	-
Scholarships - Secondary		-	600
Scholarships- M Ida Howie		28,000	20,000
Scholarships- Nanga Mai Awards		600	720
Special Programs - Innovations		62,033	-
Subscriptions		525	1,239
Superannuation		20,592	4,078
Telephone & Internet		3,372	3,518
Travelling Expenses		292	103
Website Expenses		-	41
		<u>200,714</u>	<u>104,711</u>
(Loss) Profit before income tax		<u>(39,179)</u>	<u>100,284</u>
(Loss) Profit for the year		<u>(39,179)</u>	<u>100,284</u>
Retained earnings at the beginning of the financial year		<u>2,206,363</u>	<u>2,106,079</u>
Retained earnings at the end of the financial year		<u><u>2,167,184</u></u>	<u><u>2,206,363</u></u>

The accompanying notes form part of these financial statements.

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	264,945	315,776
Accounts receivable and other debtors	3	31,028	13,891
Financial assets	4	1,200,000	850,000
TOTAL CURRENT ASSETS		<u>1,495,973</u>	<u>1,179,667</u>
NON-CURRENT ASSETS			
Financial assets	4	698,204	1,038,774
Property, plant and equipment	5	447	531
TOTAL NON-CURRENT ASSETS		<u>698,651</u>	<u>1,039,305</u>
TOTAL ASSETS		<u>2,194,624</u>	<u>2,218,972</u>
LIABILITIES			
CURRENT LIABILITIES			
PAYG - Payable		924	612
Superannuation Payable		17,200	1,013
TOTAL CURRENT LIABILITIES		<u>18,124</u>	<u>1,625</u>
TOTAL LIABILITIES		<u>18,124</u>	<u>1,625</u>
NET ASSETS		<u>2,176,500</u>	<u>2,217,347</u>
MEMBERS' FUNDS			
Reserves	6	9,316	10,984
Retained earnings	7	2,167,184	2,206,363
TOTAL MEMBERS' FUNDS		<u>2,176,500</u>	<u>2,217,347</u>

The accompanying notes form part of these financial statements.

**ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1 Statement of Significant Accounting Policies

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

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

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

Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the association. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Leases

Leases of fixed assets, 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 recognising 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 the period.

Leased assets are depreciated 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 recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised over the life of the lease term.

Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

Accounts Receivable and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income and expenditure statement.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

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.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

**ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

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 Tax 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 balance sheet.

Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 \$	2013 \$
2 Cash and Cash Equivalents		
CBA Society Cheque Account 1016 1360	3,505	2,703
CBA Society Cheque Account Education Projects Fund	10,230	10,157
Macquarie Cash Mgt Account 9612 43755	118,221	150,303
Macquarie Account N Catts Fund 9612 43730	82,265	106,499
Macquarie Donations Account	50,724	46,114
	<u>264,945</u>	<u>315,776</u>
3 Accounts Receivable and Other Debtors		
Current		
Other Debtors	12,331	13,126
Trade Debtors	17,944	-
GST on acquisitions	753	765
	<u>31,028</u>	<u>13,891</u>
The association does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.		
4 Financial Assets		
Current		
Macquarie Term Deposit Margaret Ida Howie Trust	200,000	200,000
Macquarie Term Deposit Patrick White	650,000	650,000
Macquarie Wholesale Note TD Margaret Ida Howie	350,000	-
	<u>1,200,000</u>	<u>850,000</u>
Non-Current		
Macquarie Private Portfolio - (I65810)	698,204	688,774
Macquarie Wholesale Note TD Margaret Ida Howie	-	350,000
	<u>698,204</u>	<u>1,038,774</u>
5 Property, Plant and Equipment		
Plant & Equipment - at Cost	5,963	5,963
Less Prov'n for Depreciation	(5,516)	(5,432)
	<u>447</u>	<u>531</u>
Total Plant and Equipment	<u>447</u>	<u>531</u>
Total Property, Plant and Equipment	<u>447</u>	<u>531</u>

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 \$	2013 \$
6 Reserves		
Designated Funds - Everyday Hero Funds		
Opening Balance	10,984	9,618
Income	140	2,885
Expenses	(1,808)	(1,519)
	<u>9,316</u>	<u>10,984</u>
7 Retained Earnings		
Retained earnings at the beginning of the financial year	2,206,363	2,106,079
(Net loss) Net profit attributable to the association	(39,179)	100,284
Retained earnings at the end of the financial year	<u>2,167,184</u>	<u>2,206,363</u>

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 1 to 10:

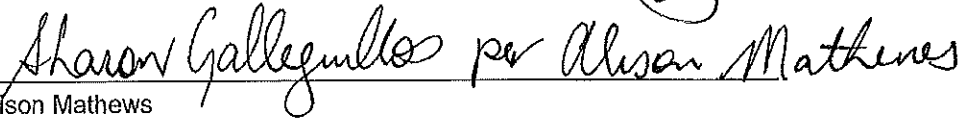
1. Presents a true and fair view of the financial position of Aboriginal Education Council (NSW) Inc. as at 31 December 2014 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Aboriginal Education Council (NSW) Inc. will be able to pay its debts as and when they fall due.

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

President:


Janet Mooney

Treasurer:


Alison Mathews

Dated this 28th day of April 2015



Pears & Co.

▶ chartered accountants ◀

ABN 91 097 827 438

Partners

Alan Pears / FCA

Anthony Ciarroni / BBus CA

Leo Ciarroni / BCom CA

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABORIGINAL EDUCATION COUNCIL (NSW) INC.

87 588 237 557

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Aboriginal Education Council (NSW) Inc. (the association), which comprises the balance sheet as at 31 December 2014, and the income and expenditure statement, a summary of significant accounting policies, other explanatory information and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of Aboriginal Education Council (NSW) Inc. is responsible for the preparation 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 2009 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 of a financial report that is free from material misstatement, whether due to fraud or error.

Auditors' 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' 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 auditors consider 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 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.



Pears & Co.

chartered accountants

ABN 91 097 827 438

Partners

Alan Pears / FCA

Anthony Ciarroni / BBus CA

Leo Ciarroni / BCom CA

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABORIGINAL EDUCATION COUNCIL (NSW) INC. 87 588 237 557

Auditors' Opinion

In our opinion, the financial report of Aboriginal Education Council (NSW) Inc. presents fairly, in all material respects the financial position of Aboriginal Education Council (NSW) Inc. as of 31 December 2014 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act (NSW 2009).

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Associations Incorporation Act NSW 2009. As a result, the financial report may not be suitable for another purpose.

Name of Firm: Pears & Co
Chartered Accountants

Name of Partner:

Leo Ciarroni

Address: Suite 3, 24 Ross Street North Parramatta

Dated this 28th day of April 2015

ABORIGINAL EDUCATION COUNCIL (NSW) INC.
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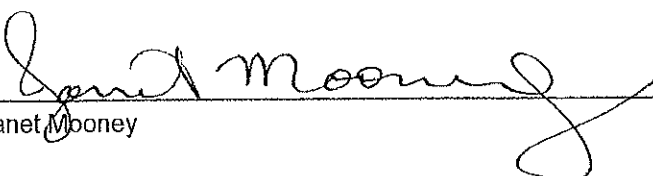
CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Janet Mooney of Redfern, certify that:

- (a) I attended the annual general meeting of the association held on 28th April 2015.
- (b) The financial statements for the year ended 31 December 2014 were submitted to the members of the association at its annual general meeting.

Dated this 28th day of April 2015

Committee Member:


Janet Mooney