

# **Sandybeach Community Co-operative Society Ltd**

ABN: 39 853 867 516

## **Financial Statements**

For the Year Ended 31 December 2021

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

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For the Year Ended 31 December 2021

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# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Directors' Report

### For the Year Ended 31 December 2021

Your Directors submit the financial statements of Sandybeach Community Co-operative Society Ltd ("the Co-operative") for the financial period ended 31 December 2021.

#### Directors

The names of Directors at the date of this report and for the full year unless indicated otherwise are:

Rajah Ramanathan  
Cameron Gregson  
Peter Bean  
Sue Coburn

Stephen Hay  
Elizabeth Hardy (resigned: 25/11/2021)  
Paula Appelhans

#### Principle Activities

The principal activities of the Co-operative during the financial year were the fostering of post-compulsory education, training and employment within the community and better adapting of post-compulsory education and training to community needs.

#### Operating Result

The profit for the year amounted to \$13,475 (2020: profit \$371,828).

#### Significant Changes and State of Affairs

Coronavirus (COVID-19): The Co-operative was continually impacted by Victorian Government orders issued during the 2021 financial year as part of the measures to reduce the spread of Coronavirus (COVID-19).

Revenue will be impacted until Coronavirus (COVID-19) is brought under control and restrictions eased.

Other than the above, there were no significant changes in the state of affairs of the Co-operative other than those referred to in the accounts and notes thereto.

#### Matters Arising Since the End of the Financial Year

Reference should be made to Note 18 in the financial report, which details the COVID-19 impact on the Co-operative subsequent to year end.

Other than the above, since the end of the financial year, no matters or circumstances have significantly affected or may significantly affect the operations of the Co-operative, the result of its operations or the state of affairs of the Co-operative in future financial years.

#### Dividends

The Co-operative's Constitution precludes it from paying dividends to its members. Surplus funds are to be applied in the promotion of the Co-operative's objectives.

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Directors' Report (Continued)

For the Year Ended 31 December 2021

### Directors' Benefits

Since the end of the previous financial year no Directors of the Co-operative have received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements.

### Directors' & Auditor's Indemnification

The Co-operative has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Co-operative or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

All Directors of the Co-operative are covered by a Directors and Officers liability insurance policy. Due to a confidentiality clause in the policy, the Co-operative is unable to disclose the nature of these liabilities and the amount of premiums paid.


### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* can be found on page 4 following this report.

Signed in accordance with a resolution of the Directors:



.....  
Rajah Ramanathan  
Chair



.....  
Stephen Hay  
Treasurer

Dated this 1<sup>st</sup> day of March 2022

# Sandybeach Community Co-operative Society Ltd

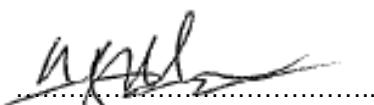
ABN: 39 853 867 516

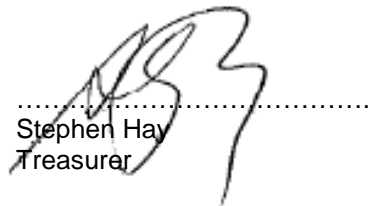
## Directors' Declaration For the Year Ended 31 December 2021

In accordance with a resolution of the Directors of Sandybeach Community Co-operative Society Ltd, the Directors declare that:

1. The financial statements and notes, as set out on pages 5 to 19, are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Australian Charities and Not-for-Profits Commission Regulations 2013* and:
  - a. comply with the Australian Accounting Standards applicable to the Co-operative, the ACNC Act 2012 and Regulations 2013 and any other mandatory professional reporting requirements; and
  - b. give a true and fair view of the financial position of the Co-operative as at 31 December 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the Directors' opinion, there are reasonable grounds to believe that Sandybeach Community Co-operative Society Ltd 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 Directors and is signed for and on behalf of the Directors by:

  
.....  
Rajah Ramanathan  
Chair

  
.....  
Stephen Hay  
Treasurer

Dated this 1<sup>st</sup> day of March 2022

### Auditor's Independence Declaration

To the Sandybeach Community Co-operative Society Ltd,

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012*, as lead auditor for the audit of Sandybeach Community Co-operative Society Ltd for the year ended 31 December 2021, we declare that, to the best of our knowledge and belief, there have been:

- i) No contraventions of the auditor independence requirements 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.

Dated at Frankston on the 1<sup>st</sup> day of March 2022



Shepard Webster & O'Neill Audit Pty Ltd  
Certified Practising Accountant  
Authorised Audit Company No 415478  
31 Beach Street Frankston 3199, PO Box 309 Frankston Victoria 3199  
Telephone (03) 9781 2633 – Fax (03) 9781 3073  
Email – [szeptalussy@shepard.com.au](mailto:szeptalussy@shepard.com.au)



David A Szeptalussy  
Director

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
<b>Continuing Operations</b>			
<b>Revenue</b>			
Grants revenue	3(a)	945,715	915,902
Local revenue	3(b)	264,077	136,883
Other revenue	3(c)	182,700	1,062,100
<b>Total Revenue</b>		<u>1,392,492</u>	<u>2,114,885</u>
<b>Less Expenses</b>			
Advertising and promotion expenses		1,253	3,428
Depreciation and amortisation		24,196	23,786
Employee benefits expenses		1,206,130	1,589,581
Grant & program delivery costs		5,260	6,028
Occupancy expenses		520	1,505
Office and administration expenses		133,137	112,399
Professional fees		6,424	5,100
Other Expenses		2,097	1,230
<b>Total Expenses</b>		<u>1,379,017</u>	<u>1,743,057</u>
<b>Operating Profit / (Loss) From Continuing Operations</b>		<u>13,475</u>	<u>371,828</u>
<b>Other Comprehensive Income</b>			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
<b>Total Comprehensive Income / (Loss)</b>		<u><u>13,475</u></u>	<u><u>371,828</u></u>

The Accompanying Notes Form Part Of These Financial Statements

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Statement of Financial Position

As At 31 December 2021

	Note	2021 \$	2020 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	4	986,823	917,020
Trade and Other Receivables	5	242	10,210
Other Assets	6	14,141	109,333
<b>Total Current Assets</b>		<u>1,001,206</u>	<u>1,036,563</u>
<b>Non-Current Assets</b>			
Financial Assets	7	2,000	2,000
Property, Plant & Equipment	8	1,205,690	1,215,650
<b>Total Non-Current Assets</b>		<u>1,207,690</u>	<u>1,217,650</u>
<b>Total Assets</b>		<u>2,208,896</u>	<u>2,254,213</u>
<b>Current Liabilities</b>			
Trade and Other Payables	9	86,209	83,965
Provision for Employee Entitlements	10	142,248	167,196
Other Liabilities	11	163,465	193,162
<b>Total Current Liabilities</b>		<u>391,922</u>	<u>444,323</u>
<b>Non-Current Liabilities</b>			
Provision for Employee Entitlements	10	3,838	10,229
<b>Total Non-Current Liabilities</b>		<u>3,838</u>	<u>10,229</u>
<b>Total Liabilities</b>		<u>395,760</u>	<u>454,552</u>
<b>Net Assets</b>		<u>1,813,136</u>	<u>1,799,661</u>
<b>Equity</b>			
Issued Capital	12	52	52
Reserves	13	721,233	721,233
Retained Earnings		1,091,851	1,078,376
<b>Total Equity</b>		<u>1,813,136</u>	<u>1,799,661</u>

The Accompanying Notes Form Part Of These Financial Statements



# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Statement of Changes in Equity

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
<b>Equity</b>			
<b><i>Issued Capital</i></b>			
Balance at the Beginning of the Financial Year		52	49
Issued Capital		-	3
Capital redeemed (membership cancelled)		-	-
Balance at the End of the Financial Year		<u>52</u>	<u>52</u>
<b><i>Reserves</i></b>			
Balance at the Beginning of the Financial Year		721,233	721,233
Other Comprehensive Income		-	-
Balance at the End of the Financial Year		<u>721,233</u>	<u>721,233</u>
<b><i>Retained Earnings</i></b>			
Balance at the Beginning of the Financial Year		1,078,376	706,548
Profit / (Loss) From Continuing Operations		13,475	371,828
Balance at the End of the Financial Year		<u>1,091,851</u>	<u>1,078,376</u>
<b>Total Equity</b>		<u><u>1,813,136</u></u>	<u><u>1,799,661</u></u>

The Accompanying Notes Form Part Of These Financial Statements

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Statement of Cash Flows

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from donors, funding agencies and other sources		1,494,700	2,197,790
Payments to suppliers and employees		( 1,410,971 )	( 1,933,349 )
Interest Received		310	1,153
Net cash provided by / (used in) operating activities	16	<u>84,039</u>	<u>265,594</u>
<b>Cash Flows from Investing Activities</b>			
Payment for property, plant & equipment		<u>( 14,236 )</u>	<u>( 4,413 )</u>
Net cash provided by / (used in) investing activities		<u>( 14,236 )</u>	<u>( 4,413 )</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from issues of shares		<u>-</u>	<u>3</u>
Net cash provided by / (used in) financing activities		<u>-</u>	<u>3</u>
Net increase/(decrease) in cash held		69,803	261,184
Cash at the beginning of the year		917,020	655,836
Cash at the end of the year	4	<u><u>986,823</u></u>	<u><u>917,020</u></u>

The Accompanying Notes Form Part Of These Financial Statements

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### Note 1: Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **New or Amended Accounting Standards and Interpretations Adopted**

The Co-operative has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### **Basis of Preparation**

In the Directors' opinion, the Co-operative is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Sandybeach Community Co-operative Society Ltd.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101: *Presentation of Financial Statements*, AASB 107: *Statement of Cash Flows*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB: 1048: *Interpretations of Standards* and AASB 1054: *Australian Additional Disclosures*, as appropriate for not-for-profit oriented entities.

#### **Historical cost convention**

The financial statements have been prepared under the historical cost convention.

#### **Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Co-operative's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### Note 1: Summary of Significant Accounting Policies (Continued)

#### a) Income Tax

The Co-operative is exempt under Division 50 of the Income Tax Assessment Act 1997 as a non-profit organisation. As such, no allowance has been made for Income Tax.

#### b) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

#### c) 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.

#### d) Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from donors in the ordinary course of business. 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.

#### e) Property, Plant and Equipment

Property, plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation and any impairment in value. The carrying amount of property, plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The carrying values of plant and equipment are also reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any impairment exists, the assets are written down to their recoverable amount and the loss recognised in the statement of comprehensive income.

The depreciable amount of all fixed assets including buildings are depreciated over their useful lives commencing from the time the asset is held ready for use. Rates of depreciation vary between 2.5% p.a. and 40% p.a.

#### f) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### g) Trade and Other Payables

Trade and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the Co-operative during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### Note 1: Summary of Significant Accounting Policies (Continued)

#### h) Employee Entitlements

Provision is made for the Co-operative'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled.

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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements.

Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

#### i) Impairment of Assets

At the end of each reporting period, the Co-operative reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in results from Continuing Operations.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Co-operative would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the Co-operative estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

#### j) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Co-operative's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Co-operative's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### Note 1: Summary of Significant Accounting Policies (Continued)

#### k) Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the Co-operative obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Co-operative and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the Co-operative 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 grant is recognised as income on receipt.

The Co-operative receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

The Co-operative has elected to not apply AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-profit Entities* at this time.

#### Interest Income

Interest income is recognised using the effective interest method.

#### Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### Note 2: Critical Accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### *a) Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Co-operative based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Co-operative operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Co-operative unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

#### *b) Estimation of useful lives of assets*

The Co-operative determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### *c) Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Co-operative assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Co-operative and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

#### *d) Employee benefits provision*

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
<b>Note 3: Revenue</b>		
<b>a. Grants revenue</b>		
Grants revenue consists of the following:		
Adult, Community and Further Education	258,480	258,480
Victorian DHHS and Federal Dept of Health	558,090	534,895
City of Bayside	62,269	61,587
Other grants income	66,876	60,940
	<u>945,715</u>	<u>915,902</u>
<b>b. Local revenue</b>		
Local revenue consists of the following:		
Child Care Fees	98,675	53,354
Course Fees	151,827	71,033
Fundraising and Donations	6,495	6,821
Interest	310	1,153
Rent	4,952	3,441
Sundries	1,818	1,081
	<u>264,077</u>	<u>136,883</u>
<b>c. Other revenue</b>		
ATO - job keeper	182,700	962,100
ATO - cash flow boost	-	100,000
	<u>182,700</u>	<u>1,062,100</u>
<b>Note 4: Cash and Cash Equivalents</b>		
<b>CURRENT</b>		
Cash at Bank	986,523	916,720
Petty Cash	300	300
	<u>986,823</u>	<u>917,020</u>

Current liabilities of the Sandybeach Community Co-operative Society Ltd not recorded in the financial statements of the Co-operative were:

Scholarship Fund bank account balance of \$4,365 as at 31 December 2021 (2020: \$4,365)

Building Fund bank account balance of \$3,160 as at 31 December 2021 (2020: \$3,160).



# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
<b>Note 5: Trade and Other Receivables</b>		
CURRENT		
Trade Receivables	242	10,210
	<u>242</u>	<u>10,210</u>
<b>Provision for impairment of trade receivables</b>		
The Co-operative has assessed impairment indicators within its trade debtors' population. Current trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts (if any) have been included in other expense items. There is a Provision for Doubtful Debts at 31 December 2021 of \$Nil (31 December 2020: \$Nil).		
<b>Note 6: Other Assets</b>		
CURRENT		
Prepayments	14,141	13,933
Accrued Income	-	95,400
	<u>14,141</u>	<u>109,333</u>
<b>Note 7: Financial Assets</b>		
Sandringham Community Bank Shares	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
<b>Note 8: Property, Plant &amp; Equipment</b>		
LEASEHOLD IMPROVEMENTS:		
Land and Buildings (at Valuation)	1,320,000	1,320,000
Less Accumulated Depreciation	( 179,057 )	( 169,157 )
	<u>1,140,943</u>	<u>1,150,843</u>
PLANT AND EQUIPMENT:		
Plant and Equipment (at Valuation)	328,804	362,073
Less Accumulated Depreciation	( 265,862 )	( 304,071 )
	<u>62,942</u>	<u>58,002</u>
OFFICE FURNITURE AND EQUIPMENT:		
Office Furniture and Equipment (at Cost)	95,345	95,345
Less Accumulated Depreciation	( 93,540 )	( 88,540 )
	<u>1,805</u>	<u>6,805</u>
<b>Total Property, Plant &amp; Equipment</b>	<u>1,205,690</u>	<u>1,215,650</u>

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### Note 8: Property, Plant & Equipment (Continued)

<i>Movements in Carrying Amounts</i>	<b>Land and Buildings</b>	<b>Plant and Equipment</b>	<b>Office Furniture and Equipment</b>	<b>Total</b>
<b>Balance at 1 January 2020</b>	1,160,743	62,475	11,805	1,235,023
Additions	-	4,413	-	4,413
Disposals	-	-	-	-
Depreciation Expense	(9,900)	(8,882)	(5,004)	(23,786)
<b>Balance at 31 December 2020</b>	<u>1,150,843</u>	<u>58,006</u>	<u>6,801</u>	<u>1,215,650</u>
Additions	-	14,236	-	14,236
Disposals	-	-	-	-
Depreciation Expense	(9,900)	(9,296)	(5,000)	(24,196)
<b>Carrying amount at 31 December 2021</b>	<u>1,140,943</u>	<u>62,946</u>	<u>1,801</u>	<u>1,205,690</u>

The Bendigo Bank held a mortgage over the property located at 2 Sims Street SANDRINGHAM VIC 3191 during FY 2020. The mortgage was discharged during FY 2021. Refer to Note 14 for further details.

(i) Land and Buildings was revalued in 2008 with an increase of \$564,453 based on an independent valuation.

(ii) Plant and Equipment was revalued in 1999 resulting in an increase of \$92,098. All additions since then are at cost less accumulated depreciation, calculated to write off all items over their useful life. Plant and Equipment and accumulated depreciation were adjusted in 2006 and 2007 after asset counts, giving a net increase in the Asset Revaluation Reserve of \$64,682.

(iii) Items costing less than \$300 have been written off in these accounts.

(iv) The Co-operative has reviewed the carrying values of property, plant and equipment, and consider that they continue to be appropriately measured and reflect the remaining useful life and ongoing economic value to the Co-operative.

(v) As at 31 December 2021, the Directors valued the Land and Buildings at \$2,500,000 on the basis of Council valuation for rating purposes as at 1 July 2021. The Directors resolved not to bring this valuation to account in the books of the Co-operative. The Co-operative currently has no intentions to sell or repurpose the property.

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
<b>Note 9: Trade and Other Payables</b>		
CURRENT		
Trade Creditors	4,787	3,637
Accrued Expenses	6,430	10,500
GST and PAYG(W)	45,797	42,039
Superannuation Payable	29,642	27,817
Other Payables	( 447 )	( 28 )
	<u>86,209</u>	<u>83,965</u>
<b>Note 10: Provision for Employee Entitlements</b>		
CURRENT		
Employee benefits		
Annual leave	62,980	67,986
Long service leave	79,268	99,210
	<u>142,248</u>	<u>167,196</u>
NON-CURRENT		
Employee benefits		
Long service leave	3,838	10,229
	<u>3,838</u>	<u>10,229</u>
	<u>146,086</u>	<u>177,425</u>
<b>Note 11: Other Liabilities</b>		
CURRENT		
Grants received in advance	159,490	170,780
Fees received in advance	100	16,379
Fundraising	3,875	6,003
	<u>163,465</u>	<u>193,162</u>
<b>Note 12: Share Capital</b>		
ISSUED CAPITAL		
52 (2020: 52) fully paid \$1 shares	52	52
	<u>52</u>	<u>52</u>

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
<b>Note 13: Reserves</b>		
Asset Revaluation Reserve	721,233	721,233
	<u>721,233</u>	<u>721,233</u>

As per Notes 8 (i) and 8 (ii) above, Land and Buildings was revalued in 2008 with an increase of \$564,453 based on an independent valuation. Plant and Equipment was revalued in 1999 resulting in an increase of \$92,098. Plant and Equipment and accumulated depreciation were adjusted in 2006 and 2007 after asset counts, further increasing the Asset Revaluation Reserve by \$64,682.

### Note 14: Borrowings

During FY 2020, the Bendigo Bank held a mortgage over 2 Sims Street SANDRINGHAM VIC 3191 to secure an Overdraft Facility of \$245,000 on the main working account. During FY 2021, the mortgage was discharged.

### Note 15: Auditor's Remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Co-operative:

<i>Audit services - Shepard Webster &amp; O'Neill Audit Pty Ltd</i>		
Audit of the financial statements	5,200	5,100
	<u>5,200</u>	<u>5,100</u>

### Note 16: Cash Flow Information

#### Reconciliation of Cash Flows from Operating Activities with Operating Profit / (Loss) From Continuing Operations

Operating Profit / (Loss) From Continuing Operations	13,475	371,828
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#### Non Cash Flows in Operating Profit:

Depreciation	24,196	23,786
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#### Changes in Assets and Liabilities:

(Increase)/Decrease in Trade and Other Receivables	9,968	( 7,622 )
(Increase)/Decrease in Other Assets	95,192	( 94,811 )
Increase/(Decrease) in Trade and Other Payables	2,244	( 11,938 )
Increase/(Decrease) in Provision for Employee Entitlements	( 31,339 )	( 3,727 )
Increase/(Decrease) in Other Liabilities	( 29,697 )	( 11,922 )
Cash Flows from Operating Activities	<u>84,039</u>	<u>265,594</u>

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Notes to the Financial Statements

For the Year Ended 31 December 2021

2021

2020

\$

\$

### Note 17: Co-operative Details

The registered office and principal place of business of the Co-operative is:

Sandybeach Community Co-operative Society Ltd  
2 Sims Street  
SANDRINGHAM VIC 3191

### Note 18: Events after the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact after the reporting date. The situation is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Co-operative's operations, the results of those operations, or the Co-operative's state of affairs in future financial years.

**Independent Auditor's Report  
To The Members Of Sandybeach Community Co-operative Society Ltd  
ABN: 39 853 867 516**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Sandybeach Community Co-operative Society Ltd, which comprises the Statement of Financial Position as at 31 December 2021, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of Sandybeach Community Co-operative Society Ltd as at 31 December 2021 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 requirements of the Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**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 Co-operative 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 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.

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Co-operative to meet the requirements of 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.

**Information Other than the Financial Report and Auditor's Report Thereon**

The Directors of the Co-operative are responsible for the other information. The other information comprises the information included in the Co-operative's annual report for the year ended 31 December 2021, 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.

**Responsibilities of the Directors for the Financial Report**

The Directors of the Co-operative are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Co-operative'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 Directors either intends to liquidate the Co-operative or to cease operations, or have no realistic alternative but to do so.

The Directors of the Co-operative are responsible for overseeing the Co-operative's financial reporting process.

**Independent Auditor's Report (Continued)**  
**To The Members Of Sandybeach Community Co-operative Society Ltd**  
**ABN: 39 853 867 516**

**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 the 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.

Dated at Frankston on the 1<sup>st</sup> day of March 2022



Shepard Webster & O'Neill Audit Pty Ltd  
Certified Practising Accountant  
Authorised Audit Company No 415478  
31 Beach Street Frankston 3199, PO Box 309 Frankston Victoria 3199  
Telephone (03) 9781 2623 – Fax (03) 9781 3073  
Email – [szepefalusy@shepard.com.au](mailto:szepefalusy@shepard.com.au)



David A. Szepefalusy  
Director

**Auditor's Disclaimer**

To the Board of Directors  
Sandybeach Community Co-operative Society Ltd  
ABN: 39 853 867 516

The additional financial data presented in the following pages is in accordance with the books and records of the Co-operative which have been subjected to the auditing procedures applied in our audit of the Co-operative for the year ended 31 December 2021. It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the company nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.

Dated at Frankston on the 1<sup>st</sup> of March 2022



Shepard Webster & O'Neill Audit Pty Ltd



David A Szeffalusy  
Director



# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Scholarship Fund Financial Report

For the Year Ended 31 December 2021

	2021 \$	2020 \$
Cash at bank on 1 January 2021	4,365	4,366
Donations received	-	-
Payments made	-	( 1 )
<b>Cash at bank on 31 December 2021</b>	<u>4,365</u>	<u>4,365</u>

*Late in 2003, the Australian Tax Office gave approval for tax deductibility to donors of \$2 or more to a fund established by the Directors of Sandybeach Community Co-operative Society Ltd to support vulnerable people accessing educational programs.*

*The above statement reflects the transactions of the fund from 1 January 2021 to 31 December 2021.*

# Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

## Building Fund Financial Report

For the Year Ended 31 December 2021

	2021 \$	2020 \$
Cash at bank on 1 January 2021	3,160	2,160
Donations received	-	1,000
Payments made	-	-
<b>Cash at bank on 31 December 2021</b>	<u>3,160</u>	<u>3,160</u>

*Late in 2003, the Australian Tax Office gave approval for tax deductibility to donors of \$2 or more to a fund established by the Directors of Sandybeach Community Co-operative Society Ltd to assist the Centre in acquiring and developing its premises.*

*The above statement reflects the transactions of the fund from 1 January 2021 to 31 December 2021.*