

**LEEP NGO LIMITED**

**ABN 77 597 187 569**

**FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2018**

DIRECTORS' DECLARATION  
PROFIT & LOSS STATEMENT  
BALANCE SHEET  
STATEMENT OF CHANGES IN EQUITY  
STATEMENT OF CASH FLOWS  
NOTES TO THE FINANCIAL STATEMENTS  
AUDITOR'S INDEPENDENCE DECLARATION  
AUDITOR'S REPORT

**SAMUEL Y WONG**  
**ABN 35 156 307 879**  
**Chartered Accountant**  
**PO Box 96, Burwood, NSW, 1805**  
**Telephone: 0404 118 086**

**LEEP NGO LIMITED**

**ABN 77 597 187 569**

**DIRECTORS' DECLARATION**

The Directors have determined that Leep NGO Limited (the registered entity) is a non-reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in Note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the *Australian Charities and Not-for-profits Commission Act 2012*.

The Directors of the registered entity declare that, in the Directors' opinion:

1. The accompanying financial statements and notes comply with Australian Accounting Standards and give a true and fair view of the financial position of the registered entity as at 30 June 2018 and of its performance for the year ended on that date.
2. This declaration is signed in accordance with subs. 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.
3. There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.
4. The establishment of all accruals and provisions in the financial statements have been reviewed at year end and are considered justifiable by the directors.



.....  
Chairperson

Dated this 18<sup>th</sup> day of October 2018.

Samuel Y Wong  
S Y Wong & Co  
**AUDIT**

**LEEP NGO LIMITED**  
**ABN 77 597 187 569**  
**PROFIT AND LOSS STATEMENT**  
For the year ended 30 June 2018

	<b>2017/2018</b>	<b>2016/2017</b>
<b>Income</b>		
FaCS Recurrent Grant	\$159,690.16	\$170,321.48
FaCS Non-recurrent Grant	\$6,454.63	\$67,000.15
DoH Recurrent Grant	\$452,367.04	\$446,814.43
DoH SACS ERO	\$21,110.66	\$16,840.98
DSS Non Recurrent Grant	\$250,000.00	\$250,000.00
DSS SACS ERO	\$13,142.50	\$10,780.00
Other Grants	\$4,500.93	\$81,909.09
Web Site Development	\$2,004.08	\$195.36
Venue & equipment hire	\$6,940.00	\$5,657.13
communityNet income	\$5,943.84	\$8,836.78
Training	\$380.00	\$6,564.76
Partnerships	\$96,077.39	\$42,202.60
Conference/Events	\$0.00	\$1,000.00
Forums and Workshops	\$52,835.83	\$6,453.14
Consultancy	\$8,280.00	\$7,500.00
Project Management	\$0.00	\$67,323.43
Financial Management	\$0.00	\$33,661.76
Project Operating Costs	\$0.00	\$80,788.21
Serviced office income	\$0.00	\$40,394.12
ICT Infrastructure	\$0.00	\$22,315.76
Membership income	\$222.75	\$368.20
Interest income	\$7,921.90	\$8,011.74
<b>Total Income</b>	<b>\$1,087,871.71</b>	<b>\$1,374,939.12</b>

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**Less Operating Expenses**

Accounting Fees	\$0.00	\$33,661.76
Marketing & Publicity	\$7,427.87	\$6,209.20
Leep Web Site Maintenance	\$6,190.76	\$3,801.07
Equipment	\$2,867.35	\$14,833.73
Replacement of equipment	\$3,000.00	\$8,000.00
Audit fees	\$3,000.00	\$3,000.00
Bank fees	\$134.13	\$207.81
Board Expenses	\$3,293.19	\$1,554.17
A.G.M.	\$601.82	\$533.99
Business Planning/Reporting	\$0.00	\$8,232.26
Cleaning	\$3,370.28	\$3,063.56
Training/Events	\$38,719.04	\$55,183.85
Resource Devel/Production	\$31,713.89	\$28,354.71
Website development & support	\$118.51	\$35.93
Database	\$6,868.00	\$65.50
Software Purchases	\$2,669.07	\$10,217.56
Computer/support & repairs	\$868.53	\$0.00
Consultancy	\$19,293.64	\$71,210.27
Credit Card Fees	\$144.00	\$136.00
Equipment Hire/Lease	\$2,904.57	\$3,872.76
Fees & Permits	\$1,385.47	\$187.00
Health & Safety	\$618.17	\$995.19
Insurance	\$5,556.75	\$5,839.90
Project Management	\$0.00	\$67,323.43
Project Operating Costs	\$0.00	\$80,788.21
Project ICT Infrastructure	\$0.00	\$22,315.76
Serviced Office Space	\$0.00	\$40,394.12
Membership & Subscription Fees	\$3,927.75	\$3,600.68
Postage & Courier	\$248.82	\$280.00
Photocopier/printing	\$812.24	\$1,092.98
Stationery	\$2,145.37	\$1,700.92
Relocation	\$8,000.00	\$8,000.00
Rent	\$21,169.11	\$20,857.08
Grounds & Lawns	\$1,177.14	\$550.00
Maintenance	\$1,090.90	\$518.85
Wages & Salaries	\$715,271.81	\$686,418.33
Superannuation	\$66,315.29	\$62,526.55
Annual Leave Accruals	-\$8,305.86	\$13,017.44
Long Service Leave	-\$1,635.49	\$6,810.45
Workers' Compensation	\$14,033.16	\$13,578.41
Recruitment	\$1,786.65	\$1,894.28
Security	\$860.00	\$1,608.37
Staff Amenities	\$1,317.37	\$1,289.58
Sundry Expenses	\$329.05	\$1,108.92
Internet Access	\$1,314.64	\$2,731.20
Telephone and Fax	\$3,115.38	\$2,183.36
Training & Development Staff	\$12,427.98	\$15,058.73
Travel & Accommodation	\$13,240.97	\$21,219.80
Utilities - Power	\$3,685.49	\$2,640.75
Volunteer Costs	\$2,671.54	\$1,028.33
91120 - Funding in Advance	\$25,963.05	\$4,500.93
<b>Total Operating Expenses</b>	<b>\$1,031,707.40</b>	<b>\$1,344,233.68</b>

**Net Profit****\$56,164.31****\$30,705.44**

Samuel Y Wong  
S Y Wong & Co  
AUDIT

**LEEP NGO LIMITED**  
 ABN 77 597 187 569  
 Balance Sheet as at 30 June 2018

	<b>30 Jun 2018</b>	<b>30 Jun 2017</b>
<b>Assets</b>		
<b>Bank</b>		
Bank Account (CSB)	\$226,204.99	\$182,880.70
Petty Cash Float	\$350.00	\$350.00
Term Deposit 2470	\$111,832.00	\$108,920.59
Term deposit 7372	\$110,996.33	\$108,594.12
Credit Card No 1	\$647.89	-\$1,319.90
Credit Card No 2	-\$24.11	-\$2,081.30
<b>Total Bank</b>	<b>\$450,007.10</b>	<b>\$397,344.21</b>
<b>Current Assets</b>		
Debtors	\$21,892.00	\$20,996.40
Prepaid expenses	\$9,056.34	\$8,331.94
<b>Total Current Assets</b>	<b>\$30,948.34</b>	<b>\$29,328.34</b>
<b>Non-current Assets</b>		
Equipment [13110]	\$2,255.43	\$2,255.43
Less: Written off [13120]	-\$2,255.43	-\$2,255.43
Furniture & Fixtures	\$26,696.63	\$26,696.63
Less: Written off [13320]	-\$26,696.63	-\$26,696.63
<b>Total Non-current Assets</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Assets</b>	<b>\$480,955.44</b>	<b>\$426,672.55</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Venue Hire Bond	-\$150.00	\$0.00
Accounts Payable Original	\$0.00	\$19,317.78
Accrued Expenses	\$27,854.79	\$17,786.68
Income in Advance	\$32,176.88	\$29,635.22
GST	\$12,522.89	\$11,654.08
PAYG tax payable	\$11,066.91	\$14,456.00
Superannuation payable	\$4,793.91	\$6,955.94
Annual Leave Accrued	\$42,948.35	\$51,254.21
Long Service Leave Accrued	\$49,309.76	\$50,945.25
Grants in Advance	\$25,963.05	\$4,500.93
Project Activities & Resources	\$0.00	\$563.87
Business Planning	\$1,080.13	\$8,000.00
HACC Expo & other events	\$0.00	\$1,574.13
<b>Total Current Liabilities</b>	<b>\$207,566.67</b>	<b>\$216,644.09</b>
<b>Non-Current Liabilities</b>		
Equipment Upgrade	\$18,383.56	\$15,383.56
Training Resources	\$20,118.43	\$23,922.43
Relocation Provision	\$41,000.00	\$33,000.00
<b>Total Non-Current Liabilities</b>	<b>\$79,501.99</b>	<b>\$72,305.99</b>
<b>Total Liabilities</b>	<b>\$287,068.66</b>	<b>\$288,950.08</b>
<b>Net Assets</b>	<b>\$193,886.78</b>	<b>\$137,722.47</b>
<b>Equity</b>		
Leep NGO Inc Reserve Fund	\$10,298.66	\$10,298.66
Diminution in value of assets	\$0.00	-\$116,470.62
Accumulated Income	\$127,423.81	\$213,188.99
Current Year Earnings	\$56,164.31	\$30,705.44
<b>Total Equity</b>	<b>\$193,886.78</b>	<b>\$137,722.47</b>

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**AUDIT**

**LEEP NGO LIMITED**  
**ABN 77 597 187 569**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Reserves</b>	<b>Accumulated</b>	<b>Total</b>
	<b>\$</b>	<b>funds</b>	<b>attributable</b>
		<b>\$</b>	<b>to the entity</b>
			<b>\$</b>
<b>Balance as at 1 July 2016</b>	10,299	96,719	107,018
Profit for the year	-	30,705	30,705
	<hr/>	<hr/>	<hr/>
<b>Balance as at 30 June 2017</b>	10,299	127,424	137,723
Profit for the year	-	56,164	56,164
	<hr/>	<hr/>	<hr/>
<b>Balance as at 30 June 2018</b>	<b><u>\$10,299</u></b>	<b><u>\$183,588</u></b>	<b><u>\$193,887</u></b>

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**AUDIT**

**LEEP NGO LIMITED**  
**ABN 77 597 187 569**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Grants, Funding receipts and from other activities	1,194,755	1,130,456
Cash receipts from other operating activities	(87,542)	777
Payments to suppliers and employees	(1,051,076)	(1,099,751)
	-----	-----
<b>Net cash inflow (outflow) from operating activities</b>	<b>\$56,137</b>	<b>\$31,482</b>
	-----	-----
<b>Cash Flows from Investing Activities</b>		
Other cash items from investing activities	(724)	-
	-----	-----
<b>Net cash inflow (outflow) from investing activities</b>	<b>(\$724)</b>	<b>-</b>
	-----	-----
<b>Cash Flows from Financing Activities</b>		
Other cash items from financing activities	(2,750)	-
	-----	-----
<b>Net cash inflow (outflow) from financing activities</b>	<b>(\$2,750)</b>	<b>-</b>
	-----	-----
<b>Net increase in cash held</b>	<b>\$52,663</b>	<b>\$31,482</b>
Cash at beginning of financial year	\$397,344	\$365,862
	-----	-----
<b>Cash at end of financial year</b>	<b>\$450,007</b>	<b>\$397,344</b>
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**Reconciliation of net cash flows from operating activities with net current year operating surplus**

Net current year operating surplus	56,164	30,705
Adjusted for Non-cash flows in net operating surplus		
Depreciation and amortisation	-	-
	-----	-----
	-	-
	-----	-----
	56,164	30,705
	-----	-----
Changes in assets and liabilities		
(Increase)/decrease in debtors and prepaid expenses	(1,620)	(12,083)
Increase/(decrease) in current liabilities	(9,077)	3,430
Increase/(decrease) in non-current liabilities	7,196	9,430
	-----	-----
	(3,501)	777
	-----	-----
<b>Net cash inflow from operating activities</b>	<b>\$52,663</b>	<b>\$31,482</b>
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Samuel Y Wong  
S Y Wong & Co  
**AUDIT**

# LEEP NGO LIMITED

ABN 77 597 187 569

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### Note 1: Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore 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 company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes

#### Accounting Policies

(a) **Revenue Recognition**

The accrual basis of accounting is applied to fees income, subsidies and grants income. Any other income is accounted for on a cash basis and is brought to account when the income is received.

(b) **Income Tax**

As the Company is a not-for-profits charitable organisation, it is exempt from income tax in terms of the Income Tax Assessment Act, 1997, as amended.

(c) **Building Improvements, Property, Plant and Equipment**

Building improvements, property, plant and equipment are measured on the cost basis less depreciation and any impairment losses.

(d) **Depreciation**

The depreciable amount of all fixed assets including buildings but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

It is the directors' policy to write off items of fixed assets costing less than \$2,000 in the year of acquisition.

(e) **Employee Benefits**

Provision is made for the Company'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 entitlements arising from wages and salaries, annual leave and long service leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled.

Long service leave is accrued in respect of all employees with more than 5 years of service with the Company.

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

**Samuel Y Wong**  
**S Y Wong & Co**  
**AUDIT**



# LEEP NGO LIMITED

ABN 77 597 187 569

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

(f) **Capital Grants**

Grants in respect of specific capital expenditure received during the year have been shown as income. Capital expenditure thereon are written off against the grant income and is not carried forward in the balance sheet as a non-current asset.

(g) **Goods and Services Tax (GST)**

Revenue, 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 expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

**Note 2: Events after the reporting period**

No matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years

**Note 3: Liability of Members - Paragraph 7 of the Company's Constitution states:**

Each member undertakes to contribute an amount not exceeding \$20 to the property of the Company if the Company is wound up at a time when that person is a Member, or within one year of the time that person ceased to be a Member, for:

- (a) payment of the Company's debts and liabilities contracted before that person ceased to be a Member;
- (b) payment of the costs, charges and expenses of winding up the Company; and
- (c) adjustment of the rights of the contributories among themselves.

**Note 4: Statement of Performance for 2018**

The registered entity was registered as an incorporated association under the *Associations Incorporation Act 2009* (NSW). On 6 March 2018, the directors resolved to change its registration to a company limited by guarantee under the *Corporations Act 2001* (Cwth)

The accompanying Profit and Loss Statement covers the operations for the registered entity both as an association under the *Associations Incorporation Act 2009* and as a company limited by guarantee under the *Corporations Act 2001*.

# SAMUEL Y WONG

CHARTERED ACCOUNTANT

ABN: 35 156 307 879

ALL CORRESPONDENCE TO:  
PO BOX 96  
BURWOOD NSW 1805

TELEPHONE: 0404 118 086  
E-MAIL: [sywong@ihug.com.au](mailto:sywong@ihug.com.au)



CHARTERED ACCOUNTANTS  
AUSTRALIA & NEW ZEALAND

## AUDITOR'S INDEPENDENCE DECLARATION

### TO THE MEMBERS OF LEEP NGO LIMITED

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 Leep NGO Limited for the year ended 30 June 2018, I declare that, to the best of my 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.

Samuel Y Wong JP B.Com FCA  
Chartered Accountant

Dated at Sydney this                    day of    October    2018

# SAMUEL Y WONG

CHARTERED ACCOUNTANT

ABN: 35 156 307 879

ALL CORRESPONDENCE TO:

PO BOX 96

BURWOOD NSW 1805

TELEPHONE: 0404 118 086

E-MAIL: [sywong@ihug.com.au](mailto:sywong@ihug.com.au)



CHARTERED ACCOUNTANTS  
AUSTRALIA & NEW ZEALAND

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEP NGO LIMITED

### Report on the Audit of the Financial Report

#### *Opinion*

I have audited the special purpose financial report of Leep NGO Limited (the registered entity), which comprises the Balance Sheet as at 30 June 2018, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the Financial Statements and the Directors' Declaration.

In my opinion, the accompanying financial report of Leep NGO Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a. giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for profits Commission Regulation 2013*

#### *Basis of Opinion*

My audit has been conducted 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 this report. I am independent of the registered entity 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 my 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 audit opinion.

#### *Emphasis of Matter – Basis of Accounting*

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission 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 the Directors for the Financial Report***

The Directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Directors' responsibility also includes such internal control as they determine is necessary to enable the preparation of a 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 registered entity'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 the Directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

### ***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 errors, and to issue an auditor's report that includes my 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.

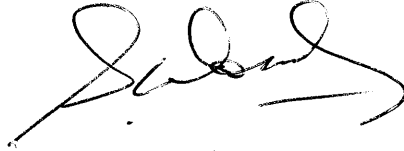
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 my 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 controls 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 registered entity'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 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity 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.

I 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 I identify during my audit.

Auditor's name: Samuel Wong *JP B.Com FCA*

Auditor's signature:

A handwritten signature in black ink, appearing to read 'Samuel Wong', written over a horizontal line.

Address: PO Box 96, Burwood, NSW, 1805

Dated this *15<sup>th</sup>* day of October 2018