



COLVILLE WILLIAMS & CO. PTY LTD

ABN 55 007 250 231

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MERRI CREEK MANAGEMENT COMMITTEE INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2012

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MERRI CREEK MANAGEMENT COMMITTEE INC.

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FOR THE YEAR ENDED 30TH SEPTEMBER, 2012

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

MERRI CREEK MANAGEMENT COMMITTEE INC.

FOR THE YEAR ENDED 30TH SEPTEMBER, 2012

SCOPE

I have audited the attached special purpose financial report comprising the Balance Sheet as at 30th September, 2012 and the Income and Expenditure Statement and Notes to the Accounts for the year then ended. The entity's Committee of Management is responsible for the preparation and presentation of the financial report and the information contained therein, and have determined that the accounting policies used are consistent with the financial reporting requirements of the entity's constitution and are appropriate to meet the needs of the members. I have conducted an independent audit of the financial report in order to express an opinion to the members of the entity on its preparation and presentation.

No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee of Management's financial reporting responsibilities under the entity's constitution. I 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.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 to the financial statements. (These policies do not require the application of all Statements of Accounting Concepts and Accounting Standards.)

The audit opinion expressed in this report has been formed on the above basis.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MERRI CREEK MANAGEMENT COMMITTEE INC.
FOR THE YEAR ENDED 30TH SEPTEMBER, 2012 (cont'd)

QUALIFICATION

Nil.

AUDIT OPINION

In my opinion, subject to the qualification noted above, the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements the results of the operations of MERRI CREEK MANAGEMENT COMMITTEE INC. for the year ended 30th September, 2012.

Dated at Lower Plenty: 20th December, 2012



FRED GERARDSON
Chartered Accountant
Registered Company Auditor

MERRI CREEK MANAGEMENT COMMITTEE INC.

BALANCE SHEET

AS AT 30TH SEPTEMBER, 2012

	NOTE	2012	2011
EQUITY:			
Retained Funds - Start		193,723	161,647
Transfer to/from Environment Fund Reserve	5	(23,360)	
Environment Fund Reserve	5	29,358	-
Add Surplus / (Deficit)		(82,881)	32,076
Retained Funds - End		116,840	193,723
Represented By:			
CURRENT ASSETS:			
Cash at Bank	2	432,877	440,180
Bonds		780	780
Sundry Debtors & Prepayments		113,996	110,876
		<u>547,653</u>	<u>551,836</u>
FIXED ASSETS:			
Computer Equipment - @ Cost	1(b)	21,020	21,020
Less Prov'n for Depreciation		(18,767)	(15,675)
Plant & Equipment - @ Cost		22,238	22,238
Less Prov'n for Depreciation		(18,000)	(16,305)
Buildings		20,231	20,231
Less Prov'n for Depreciation		(17,108)	(15,644)
Vehicles - @ Cost		191,095	191,095
Less Prov'n for Depreciation		(68,571)	(54,494)
		<u>132,138</u>	<u>152,466</u>
Total Assets:		679,791	704,302
Less:			
CURRENT LIABILITIES:			
Advanced Receipts		232,529	235,426
Trade & Sundry Creditors		139,840	104,631
Provisions for Leave	1(c)	190,582	170,522
Total Liabilities:		562,951	510,579
NET ASSETS:		116,840	193,723

MERRI CREEK MANAGEMENT COMMITTEE INC.

STATEMENT OF INCOME & EXPENDITURE

FOR THE TWELVE MONTHS ENDED 30TH SEPTEMBER, 2012

	NOTE	<u>2012</u>	<u>2011</u>
INCOME:			
Grants	1(e)		
Municipalities		598,230	540,460
Other Government		106,453	158,179
Non Government	4	166,397	56,370
Contracts		409,187	611,089
Interest Received		22,326	21,770
Profit on Sale of Fixed Assets		-	4,228
Sale of Publications		2,027	741
Environment Fund Donations		-	1,777
Sundry Income		5,400	17,508
Total Income:		<u>1,310,020</u>	<u>1,412,122</u>
LESS EXPENDITURE:			
Wages & Salaries		1,036,893	1,048,521
Salaries Oncosts	1(c)	128,460	125,075
Materials & Plant Hire		56,288	61,940
Vehicle Running		25,244	20,137
Admin, Project & General		105,628	92,852
Provisions			
Depreciation	1(b)	20,328	20,762
Annual & Long Service Leave	1(c)	20,060	10,759
Total Expenditure:		<u>1,392,901</u>	<u>1,380,046</u>
NET SURPLUS / (DEFICIT):		<u>(82,881)</u>	<u>32,076</u>

MERRI CREEK MANAGEMENT COMMITTEE INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

This special purpose financial report has been prepared for distribution to the members to fulfil the Committee of Management's financial reporting requirements under the entity's constitution. The accounting policies are consistent with those provided in previous years unless otherwise stated and are, in the opinion of the Committee of Management, appropriate to meet the needs of members.

(a) Basis of Accounting

The Balance Sheet and Income and Expenditure Statement have been prepared on an accruals basis under the convention of historical cost accounting.

(b) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Minor Assets:

Assets with a purchase price under \$2,000 are expensed in the year of purchase.

Computers:

Depreciated 40% of purchase price in first year followed by straight line to Nil over the next three years.

Motor Vehicles:

Depreciated straight line over their useful life to the entity (usually 5 years) after allowing for the estimated residual value at the end of that useful life.

This statement is to be read in conjunction with the attached auditor's report.

MERRI CREEK MANAGEMENT COMMITTEE INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2012 (cont'd)

NOTE 1 - Significant Accounting Policies (cont'd)

(c) Employee Entitlements

Employee entitlements are accrued on a pro rata basis for annual leave and long service leave in respect of services provided by employees up to the reporting date. Such accruals are assessed as at each reporting date, having regard to current awards, rates of pay and other factors including employee departures and their periods of service.

The superannuation for the reporting period is made up of the statutory contribution the Committee makes in accordance with local government regulations to the superannuation plan which provides benefits to its employees.

(d) Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

(e) Grants, donations and other contributions

Grants, donations and other contributions are recognised as cash in hand when the Committee obtains control over the assets comprising the contributions and as income in the period in which the related expenditure is to take place.

Control over granted receipts is normally obtained upon their receipt or upon notification that a grant has been secured.

Unrealised contributions over which the Committee has control are recognised as receivables.

Contributions received in advance and which are to be wholly or partly expended in the following period are accrued as advanced receipts.

This statement is to be read in conjunction with the attached auditor's report.

MERRI CREEK MANAGEMENT COMMITTEE INC.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

	<u>2012</u>	<u>2011</u>
NOTE 2 - STATEMENT OF CASH FLOWS		
Cash Flows from Operating Activities		
Receipts	1,304,003	1,326,359
Payments	<u>(1,317,304)</u>	<u>(1,360,070)</u>
Net cash from operating activities	<u>(13,301)</u>	<u>(33,711)</u>
Cash Flows from Investing Activities		
Proceeds from sale of vehicles and eqpt	-	27,272
Payments for vehicles and equipment	<u>-</u>	<u>8,275</u>
Net cash from investing activities	<u>-</u>	<u>18,997</u>
Net Increase / (Decrease) in Cash Held	(13,301)	(14,714)
Cash at beginning of the financial year	440,180	454,894
Cash at the end of the financial year	<u><u>426,879</u></u>	<u><u>440,180</u></u>

Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash at banks and investments in money market institutions. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Operating Accounts	134,400	135,313
Environment Fund Account	29,358	23,360
Term Deposit - Bendigo Bank	175,196	204,575
Cheque Account - Bendigo Bank	202	596
Long Service Leave Account	<u>93,721</u>	<u>76,336</u>
	<u><u>432,877</u></u>	<u><u>440,180</u></u>

MERRI CREEK MANAGEMENT COMMITTEE INC.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

	<u>2012</u>	<u>2011</u>
Reconciliation of Net Cash Used in Operating Activities to Operating Result		
Operating Result	(82,881)	32,076
Add back		
Provisions for Depreciation	20,328	20,762
Provisions for Doubtful Debts	-	-
Provisions for Leave	20,060	10,759
Increase in Advanced Receipts	(2,897)	(104,741)
Increase in Trade Creditors	35,209	(11,545)
Less		
Increase in Trade Debtors	(3,120)	23,206
Gains on sale of vehicles and eqpt	-	(4,228)
Net cash from operating activities	<u>(13,301)</u>	<u>(33,711)</u>

NOTE 3 - AUDITOR'S REMUNERATION

Audit Fees	6,900	5,400
Other Services	700	1,400
	<u>7,600</u>	<u>6,800</u>

NOTE 4 - GRANTS - NON GOVERNMENT

GVEHO	4,000	2,300
Other	162,397	54,070
	<u>166,397</u>	<u>56,370</u>

NOTE 5 - ENVIRONMENT FUND RESERVE

Opening Balance	<u>0</u>	<u>0</u>
Add Transfer from Retained Earnings	23360	0
Add Interest Received	848	0
Add Donations Received	5150	0
	<u>29358</u>	<u>0</u>
Less Transfer to Retained Earnings	0	0
Less Project Expenditure	0	0
	<u>0</u>	<u>0</u>
Closing Balance	<u>29358</u>	<u>0</u>