

MURRAY ARTS INC.
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

MURRAY ARTS INC.

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MURRAY ARTS INC.

MANAGEMENT COMMITTEE REPORT

Your committee members submit the financial report of Murray Arts Inc. for the year ended 31 December 2016.

Committee Members

The names of the committee members in office at any time during or since the end of the year are:

Fiona Schirmer (resigned May 2016)
Mary Fraser (resigned October 2016)
Stuart Heriot (resigned October 2016)
Peter Croucher (resigned October 2016)
Glenn Mancer
Deborah Ross
Denise Osborne
David Thurley
Tahni Froudust
Annette Schilg (appointed October 2016)
Jennie Star (appointed November 2016)
Diane Stepheard (appointed November 2016)

Principal Activities

The principal activities of the association during the year remained:

The promotion of the arts in the region.

Significant Changes

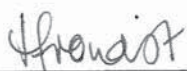
No significant change in the nature of these activities occurred during the year.

Operating Result

The profit for the year amounted to \$25,440.96.

Signed in accordance with a resolution of the members of the committee:


Denise Osborne


Tahni Froudust

Dated: 21st April, 2017

MURRAY ARTS INC.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MURRAY ARTS INC.**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Murray Arts Inc. (the association) which comprises the balance sheet as at 31 December 2016 and the income statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporations Act 2009 and are appropriate to meet the needs of the members. The committee's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free of 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 auditor's judgment, including the assessment of the risks or material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporations Act 2009. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

MURRAY ARTS INC.
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MURRAY ARTS INC.

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

Independence

In conducting our audit, we have complied with applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of Murray Arts Inc. presents fairly in all material respects the financial position of Murray Arts Inc. as of 31 December 2016 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

FOCUS PARTNERS



Elin Collins, CA
Partner

Dated: 17th May, 2017

MURRAY ARTS INC.

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
INCOME			
General income	2	237,362.38	274,913.08
Project income	3	40,753.90	31,534.92
Auspiced projects	4	-	1,250.00
Loss on sale of non-current assets		(98.28)	-
		<u>278,018.00</u>	<u>307,698.00</u>
LESS EXPENDITURE			
Legal, finance and governance costs	5	16,187.37	14,390.17
Rent and running costs	6	13,614.61	14,306.74
Office consumables and resources	7	7,364.31	13,029.09
Marketing and promotion	8	10,726.15	4,902.60
Motor vehicle expenses	9	12,850.48	14,484.03
Communications	10	9,601.16	9,876.56
Employment expenses	11	18,533.91	19,055.07
Wages	12	124,965.96	168,120.22
Cultural Tourism	13	-	-
Disassemble	14	-	-
Schools workshop	15	3,000.00	3,000.00
Project expenses - AAN	16	9,174.97	3,878.24
Project expenses - Smart Arts	17	4,835.52	2,352.42
Project expenses - Bright Sparks	18	-	-
Project expenses - Other	19	21,722.60	34,046.39
		<u>252,577.04</u>	<u>301,441.53</u>
NET OPERATING PROFIT		25,440.96	6,256.47
Retained profits at the beginning of the financial year		<u>62,857.74</u>	<u>56,601.27</u>
TOTAL AVAILABLE FOR APPROPRIATION		88,298.70	62,857.74
RETAINED PROFITS (ACCUMULATED LOSSES) AT THE END OF THE FINANCIAL YEAR		88,298.70	62,857.74

The accompanying notes form part of these financial statements.

MURRAY ARTS INC.
BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	20	129,322.27	119,975.88
Trade and other receivables	21	82,952.16	7,308.26
Other current assets	22	1,568.48	2,903.93
TOTAL CURRENT ASSETS		<u>213,842.91</u>	<u>130,188.07</u>
NON-CURRENT ASSETS			
Property, plant and equipment	23	5,557.00	8,770.00
TOTAL NON-CURRENT ASSETS		<u>5,557.00</u>	<u>8,770.00</u>
TOTAL ASSETS		<u>219,399.91</u>	<u>138,958.07</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	24	6,980.34	7,982.46
Short-term provisions	25	6,488.79	8,906.96
Other	26	111,130.54	47,824.15
TOTAL CURRENT LIABILITIES		<u>124,599.67</u>	<u>64,713.57</u>
NON-CURRENT LIABILITIES			
Long-term provisions	27	6,501.54	11,386.76
TOTAL NON-CURRENT LIABILITIES		<u>6,501.54</u>	<u>11,386.76</u>
TOTAL LIABILITIES		<u>131,101.21</u>	<u>76,100.33</u>
NET ASSETS		<u>88,298.70</u>	<u>62,857.74</u>
EQUITY			
Retained profits		88,298.70	62,857.74
TOTAL EQUITY		<u>88,298.70</u>	<u>62,857.74</u>

The accompanying notes form part of these financial statements.

MURRAY ARTS INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Statement of Significant Accounting Policies

This financial report is a special purpose report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act 2009. The committee has determined that the association is not a reporting entity.

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

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

(a) Income Tax

The association is exempt from Income Tax under Sub-division 50-B of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

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

(c) Depreciation

Depreciation is calculated to write off the net cost of each item of property, plant and equipment over its expected useful life.

(d) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(e) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits are measured at the amounts expected to be paid when the liability is settled.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments.

(g) Goods and Services Tax (GST)

Revenues, expenses and fixed assets are recognised net of the amount of GST. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(h) Trade receivables

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly.

(i) Revenue

Revenue is measured as the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST).

MURRAY ARTS INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 \$	2015 \$
2 General Income		
Albury City Council	29,294.00	28,266.50
Arts NSW	140,000.00	140,000.00
Arts Victoria	-	29,999.99
Arts Wodonga Administration Position	9,950.66	9,950.66
Creators Artspace	-	7,781.82
Federation Shire	-	11,250.50
Federation Council	11,644.50	-
Greater Hume Shire	6,000.00	6,000.00
Indigo Shire	9,000.00	8,750.00
Murray Arts admin fee	556.36	956.36
Regional Arts NSW	808.56	302.40
Towong Shire	5,000.00	7,500.00
Wodonga City Council	20,000.00	20,181.82
Sundry Income	2,648.13	848.19
Bank interest	2,460.17	3,124.84
	<u>237,362.38</u>	<u>274,913.08</u>
3 Project Income		
Aboriginal RAF project	9,309.00	5,691.00
Art Therapy Group	-	2,000.00
Billet-Doux	72.73	-
Buraja Arts Workshop income	385.00	-
Border Trust	2,000.00	-
Burraja Arts Sales	5,831.43	-
Charles Sturt University	2,000.00	2,500.00
Circuit Income	-	2,229.90
Cultural Tourism	1,000.00	-
Halve Waste - Go Wild in the Garden	5,000.00	-
Inspiring Australia (NSW) - Go Wild in the Garden	7,920.00	7,350.00
Prime Minister & Cabinet - NAIDOC	3,000.00	2,200.00
Regional Arts Fund	-	8,300.00
Smart Arts workshop	3,039.04	1,264.02
Stencil Art Project	1,196.70	-
	<u>40,753.90</u>	<u>31,534.92</u>
4 Auspiced Projects		
Melanie Ruth C of W	-	1,250.00
	<u>-</u>	<u>1,250.00</u>

MURRAY ARTS INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	\$	\$
10 Communications		
Phone & fax	8,719.20	8,801.45
Internet	646.38	872.16
Postage & freight	235.58	202.95
	<u>9,601.16</u>	<u>9,876.56</u>
11 Employment expenses		
LAH	1,366.29	1,046.25
Travel & accommodation	4,523.40	2,364.44
Professional development	681.82	595.00
Superannuation	11,962.40	15,049.38
	<u>18,533.91</u>	<u>19,055.07</u>
12 Wages		
Wages RADO	45,368.22	46,948.23
Wages Arts Wodonga	9,984.00	6,864.00
Wages Creators Artspace	3,322.00	7,436.00
Wages Administration	30,219.67	31,999.82
Wages Comms Officer	23,597.13	20,762.71
Wages Aboriginal Arts Officer	16,125.17	15,502.26
Project Officer	-	33,129.88
Provision for Annual Leave	(2,418.17)	(5,610.60)
Provision for Long Service Leave	(4,885.22)	5,749.88
Workers Compensation	2,948.52	5,338.04
Staff appointment costs	704.64	-
	<u>124,965.96</u>	<u>168,120.22</u>
13 Cultural Tourism		
Cultural Tourism marketing expense	-	-
	<u>-</u>	<u>-</u>
14 Disassemble		
Dis/ass marketing & promotion	-	-
	<u>-</u>	<u>-</u>
15 Schools workshop		
AMITC	3,000.00	3,000.00
	<u>3,000.00</u>	<u>3,000.00</u>
16 Project expenses - AAN		
Aboriginal Artist Network	2,194.62	359.90
NAIDOC	3,270.00	2,074.04
Art Therapy Program	-	1,444.30
Burraja Arts Gallery	(24.83)	-
Burraja Arts Artist fees	3,735.18	-
	<u>9,174.97</u>	<u>3,878.24</u>

MURRAY ARTS INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 \$	2015 \$
23 PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment	42,727.00	42,985.00
Less accumulated depreciation	<u>(37,170.00)</u>	<u>(34,215.00)</u>
Total property, plant and equipment	<u><u>5,557.00</u></u>	<u><u>8,770.00</u></u>
24 TRADE AND OTHER PAYABLES		
CURRENT		
Trade creditors	2,360.38	1,739.34
PAYG payable	3,362.00	4,576.00
Superannuation payable	<u>1,257.96</u>	<u>1,667.12</u>
	<u><u>6,980.34</u></u>	<u><u>7,982.46</u></u>
25 SHORT-TERM PROVISIONS		
Provision for annual leave	<u>6,488.79</u>	<u>8,906.96</u>
	<u><u>6,488.79</u></u>	<u><u>8,906.96</u></u>
26 OTHER LIABILITIES		
CURRENT		
Grants and funding in advance	108,534.73	45,702.25
Accrued expenses	<u>2,595.81</u>	<u>2,121.90</u>
	<u><u>111,130.54</u></u>	<u><u>47,824.15</u></u>
27 OTHER LIABILITIES		
NON-CURRENT		
Provision for Long Service Leave	<u><u>6,501.54</u></u>	<u><u>11,386.76</u></u>

MURRAY ARTS INC.

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

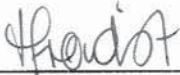
In the opinion of the committee the financial report:

1. Presents a true and fair view of the financial position of Murray Arts Inc. as at 31 December 2016 and its performance for the year ended on that date.
2. At the date of this statement there are reasonable grounds to believe that Murray Arts 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:



Denise Osborne



Tahni Froudish

Dated: 21st April, 2017

MURRAY ARTS INC.

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Denise Osborne and I, Tahni Froudish certify that:

- (a) We are members of the committee of the association.
- (b) We attended the annual general meeting of the association.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) The annual statement was submitted to the members of the association at its annual general meeting.

Dated: 21st April, 2017



Denise Osborne



Tahni Froudish