



"Members helping Members"

MELBOURNE PC USER GROUP INC.

ABN 43 196 519 351

(Victorian Association Registration No. A0003293V)

Unit 26, 479 Warrigal Road, Moorabbin Vic 3189

Australia

Telephone: (03) 9276 4000

Email: office@melbpc.org.au

Web: www.melbpc.org.au

Financial Statement

For the Year ended 30 June 2019

| Contents: | Page |
|--|-------------|
| Committee Report | 2 |
| Income and Expenditure Statement | 3 |
| Statement of Financial Position | 4 |
| Notes to the Financial Statements | 5 |
| Statement by Members of the Committee | 6 |
| Report by the Reviewing Accountant | 7 |

Committee Report

Your committee members submit the financial accounts of the Melbourne PC User Group Incorporated for the financial year ended 30 June 2019.

Committee Members

The names of committee members throughout the financial year together with the number of meetings attended are:

| | | | |
|-------------------|-------|----------------------|-------|
| Peter Bacon | 9/12 | John Morris | 9/12 |
| Rob Brown | 6/8 | Bahador Nayebifar | 5/8 |
| Stewart Gruneklee | 10/12 | George Skarbek | 3/4 |
| John Hall | 9/12 | David Stonier-Gibson | 7/8 |
| Phil Lew | 11/12 | John Swale | 11/12 |
| Harry Lewis | 7/12 | Paul Woolard | 3/4 |
| Hugh MacDonald | 7/8 | Stephen Zuluaga | 8/8 |
| Frank Maher | 4/4 | | |

Principal Activities

The principal activities of the group during the financial year were to conduct, on a non-profit basis, activities to help members learn and use systems and devices using various technologies, especially computing, software, and communications technology (including the Internet and World Wide Web, personal computers & devices), to achieve the following outcomes:

- advancing computer literacy;
- advancing education and exchange of ideas;
- keeping members up to date on developments in computer and information technology and helping members to exchange information;
- representing members in public debate in areas of interest including law reform proposals;
- engaging with similar organisations; and
- carrying out activities that benefit the Association.

Operating Result

The surplus from ordinary activities for the year amounted to \$477.

**Income and Expenditure Statement
For the Year Ended 30 June 2019**

| Income | FY2019 | FY2018 |
|--|----------------|----------------|
| | \$ | \$ |
| Disk Sales | 505 | 176 |
| Drinks and Confections | 884 | 1,077 |
| Donations | 515 | 1,405 |
| Equipment Hire | 136 | 964 |
| Postage Recovered | 2 | 61 |
| Interest Received | 12,905 | 10,696 |
| Membership Subscriptions | 125,658 | 128,437 |
| Microsoft Subscriptions | 7,582 | 6,018 |
| Mobile Broadband Service | 0 | 16,578 |
| Newsletter Sales | 418 | 484 |
| Raffles | 1,964 | 2,431 |
| WorkCover Insurance Reimbursement* | 0 | 23,760 |
| TOTAL INCOME | 150,569 | 192,087 |
| | | |
| Expenditure | | |
| Advertising & Promotion | 2,343 | 1,093 |
| Accounting | 5,824 | 8,286 |
| Bank Fees | 2,911 | 2,674 |
| Cleaning | 4,618 | 3,797 |
| Computer Software | 0 | 91 |
| Conferences & Meetings (External) | 0 | 0 |
| Equipment Purchases | 684 | 3,089 |
| Gifts/Rewards/Donations | 0 | 94 |
| Heat, Light, Power | 7,262 | 7,648 |
| Insurance | 4,538 | 5,942 |
| Internet Charges | 7,131 | 7,838 |
| Legal & Litigation | 1,920 | 3,016 |
| Library Book Purchases | 128 | 221 |
| Microsoft Licences | 6,904 | 10,338 |
| Mobile Broadband Service | 0 | 2,737 |
| Moorabbin Property Costs | 12,254 | 17,298 |
| PC Update Expenses | 0 | 0 |
| Postage | 1,642 | 3,270 |
| Printing & Stationery (includes blank disk purchases) | 6,721 | 8,825 |
| Raffle Costs | 924 | 555 |
| Rent – Room Hire for SIGs | 7,603 | 8,033 |
| Repairs & Maintenance | 3,703 | 1,209 |
| Security | 632 | 553 |
| Staff Travel | 0 | 0 |
| Staff/SIG/Volunteer Amenities | 2,785 | 3,302 |
| Staffing Expenses (includes training and WorkCover)* | 37,285 | 68,209 |
| Subscriptions | 265 | 1,702 |
| Telephone | 2,644 | 4,938 |
| TOTAL EXPENSES | 120,721 | 174,758 |
| | | |
| Income less Expenses | 29,848 | 17,329 |
| Depreciation | (29,371) | (26,759) |
| Nett Surplus/(Deficit) from ordinary activities | 477 | (9,430) |

Statement of Financial Position as at 30 June 2019

| | FY2019 | FY2018 |
|---|------------------|------------------|
| | \$ | \$ |
| Current Assets | | |
| Cash at Bank & On Hand | 30,946 | 37,996 |
| Debit Card | 540 | 792 |
| PayPal | 985 | 92 |
| Petty Cash | 60 | 70 |
| Term Deposits | 488,476 | 475,571 |
| Accounts Receivable | 0 | 0 |
| Optus Equipment Fund | 0 | 0 |
| Prepayments | 0 | 0 |
| Security Deposits | 300 | 300 |
| Total Current Assets | 521,307 | 514,821 |
| Fixed Assets | | |
| Property, Plant & Equipment | 2,351,298 | 2,327,870 |
| Provision for Depreciation | (1,646,959) | (1,617,588) |
| Net Fixed Assets | 704,339 | 710,282 |
| TOTAL ASSETS | 1,225,646 | 1,225,103 |
| Current Liabilities | | |
| Accounts Payable | 5,130 | 0 |
| Accrued Liabilities | 0 | 0 |
| Total Current Liabilities | 5,130 | 0 |
| Other Current Liabilities | | |
| Payroll Liabilities | 0 | 350 |
| GST Payable/(Receivable) | (723) | (2,256) |
| Annual Leave Provision | 0 | 6,247 |
| Total Other Current Liabilities | (723) | 4,341 |
| TOTAL LIABILITIES | 4,407 | 4,341 |
| NETT ASSETS | 1,221,239 | 1,220,762 |
| MEMBERS FUNDS OPENING BALANCE | 1,220,762 | 1,231,273 |
| LESS: Adjustments made to prior period balances | 0 | (1,081) |
| NET SURPLUS/(DEFICIT) CURRENT YEAR | 477 | (9,430) |
| MEMBERS FUNDS AT END OF YEAR | 1,221,239 | 1,220,762 |

Note: Summary of Significant Accounting Policies**General**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporations Reform Act (Victoria) 2012*. The committee has determined that the association is not a reporting entity.

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

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

Property, Plant and Equipment

Property and improvements and all equipment are carried at cost less any accumulated depreciation. An informal valuation carried out by an estate agent in August 2017 estimated the value of the Moorabbin property at approximately \$1,200,000. The depreciable amount of all property, plant and equipment is depreciated over the estimated useful lives of the assets to the association commencing from the time the asset is held ready for use.

Current Assets

Cash and cash equivalents include cash on hand, undeposited funds, cash in transit between financial institutions, deposits held at call or on term investment with banks.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts and volume rebates allowed. Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Grant and donation income is recognised when the association obtains control over the funds, which is generally at the time of receipt.

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

Trade and Other Payables

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

Staffing Expenses

Staffing expenses for FY2019 include an amount paid to the former Office Manager under the WorkCover scheme which was reimbursed by the association's insurer. See the items marked (*) in the Income and Expenditure Statement. Such WorkCover payments and reimbursements were not applicable in FY2019.

MELBOURNE PC USER GROUP INC.**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MELBOURNE PC USER GROUP INC****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Melbourne PC User Group Inc which comprises the statement of financial position as at 30 June 2019 and the income and expenditure statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of Melbourne PC User Group Inc as at 30 June 2019 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 *Associations Incorporation Reform Act 2012*.

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 association 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 statements, which describes the basis of accounting. The financial report has been prepared to assist Melbourne PC User Group Inc to meet the requirements of the *Associations Incorporation Reform 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.

Responsibilities of the Committee for the Financial Report

The committee of Melbourne PC User Group Inc is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Reform Act 2012* and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association'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 committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Melbourne

Level 5 North Tower
485 La Trobe Street
Melbourne, Vic 3000

T. +61 9642 8000

E. info@mva-bennett.com.au



An independent member of
Walker Wayland Australasia Limited



CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

MELBOURNE PC USER GROUP INC.**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 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 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's 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 association'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 association 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 committee 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.

MVA BENNETT
Chartered Accountants.
Level 5, North Tower,
485 La Trobe Street
Melbourne Vic 3000

SHAUN EVANS
Partner

Dated: 2 October 2019