



2020 FINANCIAL REPORT

Trading Name: YARRA VALLEY FM INC
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ABN: 75 985 662 648
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Yarra Valley FM Incorporated
ABN 75 985 662 648

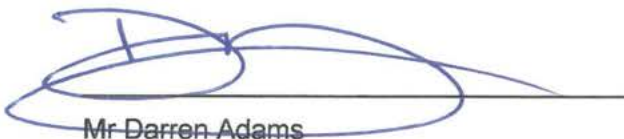
Statement by Members of the Committee

The committee has determined that the Association is not a reporting entity and 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;

1. The financial statements and notes attached presents a true and fair view of the financial position of Yarra Valley FM Incorporated as at 30 June 2020 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Yarra Valley FM Incorporated 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:



Mr Darren Adams

President/Chairperson



Mr Geoffrey Allan Sherman

Treasurer

Dated: 17th NOVEMBER 2020.....

Yarra Valley FM Incorporated
ABN 75 985 662 648

Balance Sheet for the year ended 30 June 2020

	Note	2020 \$	2019 \$
Asset			
Current assets			
Cash and cash equivalents	2	26,917.22	23,572.47
Accounts receivable and other debtors	3	10,674.00	1,834.00
Total current assets		<u>37,591.22</u>	<u>25,406.47</u>
Non-current assets			
Property, plant, equipment	4	23,807.34	30,731.54
Total non-current assets		<u>23,807.34</u>	<u>30,731.54</u>
Total assets		<u>61,398.56</u>	<u>56,138.01</u>
Liabilities			
Current liabilities			
Trade creditors and other payables	5	8,672.53	3,167.19
Total current liabilities		<u>8,672.53</u>	<u>3,167.19</u>
Non-current liabilities			
Trade creditors and other payables		-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>8,672.53</u>	<u>3,167.19</u>
Net assets		<u>52,726.03</u>	<u>52,970.82</u>
Equity			
Retained surplus		52,726.03	52,970.82
Net worth		<u>52,726.03</u>	<u>52,970.82</u>

The accompanying notes form part of these financial statements

Yarra Valley FM Incorporated
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Income Statement for the year ended 30 June 2020

	Note	2020 \$	2019 \$
Income			
Revenue	6	99,500.23	92,371.33
Expenses			
Administration expenses		21,427.43	19,252.88
Finance expenses		-	-
Employee benefits expense		25,530.31	15,426.60
Depreciation and amortisation expenses		7,375.58	5,618.52
Auditors remuneration		638.00	495.00
Advertising and promotion expenses		17,481.75	7,685.24
Transmission expenses		5,620.87	5,822.60
Occupancy expenses		21,671.08	21,667.55
Total expenditure		<u>99,745.02</u>	<u>75,968.39</u>
Net Operating Surplus / (Deficit)		(244.79)	16,402.94
Extra-ordinary income / (expense)		-	-
Surplus/(Deficit) for the year		<u><u>(244.79)</u></u>	<u><u>16,402.94</u></u>

The accompanying notes form part of these financial statements

Yarra Valley FM Incorporated
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Statement of Changes in Equity for the year ended 30 June 2020

	Retained surplus \$	Total \$
Balance as at 1 July 2018	36,567.88	36,567.88
Surplus/(deficit) for the year	16,402.94	16,402.94
Balance as at 30 June 2019	<u>52,970.82</u>	<u>52,970.82</u>
Balance as at 1 July 2019	52,970.82	52,970.82
Surplus/(deficit) for the year	(244.79)	(244.79)
Balance as at 30 June 2020	<u>52,726.03</u>	<u>52,726.03</u>

The accompanying notes form part of these financial statements

Yarra Valley FM Incorporated
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Statement of cash flows for the year ended 30 June 2020

	2020	2019
	\$	\$
Cash from operating activities		
Receipts from customers	96,276.75	90,537.33
Payments to suppliers and employees	(92,219.32)	(70,244.78)
Interest paid	-	-
Net cash provided by/(used in) operating activities	<u>4,057.43</u>	<u>20,292.55</u>
Cash flows from investing activities		
Net purchases from plant and equipment	(1,251.77)	(10,717.37)
Net sales from plant and equipment	539.09	-
Net cash provided by/(used in) investing activities	<u>(712.68)</u>	<u>(10,717.37)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayments of borrowings	-	-
Net cash provided by/(used in) financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		
Cash at beginning of financial year	23,572.47	13,997.29
Cash at end of financial year	<u>26,917.22</u>	<u>23,572.47</u>

The accompanying notes form part of these financial statements

Yarra Valley FM Incorporated
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Notes to the financial statements for the year ended 30 June 2020

	2020	2019
	\$	\$
2. Cash and cash equivalents		
Bendigo bank trading account	23,917.22	23,572.47
Bendigo bank grant account	3,000.00	-
Cash on hand	-	-
	<u>26,917.22</u>	<u>23,572.47</u>
3. Account receivables and other debtors		
Sundry debtors	<u>10,674.00</u>	<u>1,834.00</u>
	<u>10,674.00</u>	<u>1,834.00</u>
4. Property, plant & equipment		
Plant & equipment at cost	36,651.83	36,350.09
Less accumulated depreciation and impairment	(12,844.49)	(5,618.52)
	<u>23,807.34</u>	<u>30,731.57</u>
5. Trade and other payables		
Accrued expenses	1,250.37	2,085.84
Income in Advance	5,616.52	-
Trade creditors	-	708.95
PAYG withholdings payable	1,272.00	-
Superannuation payable	533.64	372.40
	<u>8,672.53</u>	<u>3,167.19</u>
6. Revenue		
Donations	2,318.25	6,950.00
Grants received	30,500.00	20,427.00
Membership fees	3,605.00	2,210.00
Subscriber fees	2,165.00	-
Operating Revenue		
- Presenter fees	4,695.00	5,220.00
- Presenter training fees	-	75.00
- Schools income	-	2,700.00
- Sponsorships	54,291.98	50,478.33
	<u>58,986.98</u>	<u>58,473.33</u>
Interest received	-	-
Sundry revenue	1,925.00	4,311.00
	<u>99,500.23</u>	<u>92,371.33</u>

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Notes to the financial statements for the year ended 30 June 2020

	2020	2019
	\$	\$
7. Cash flow information		
Reconciliation of cash		
Cash at the end of financial year as shown in cash flow statement is reconciled to items in the statement of financial position:		
Cash and cash equivalents	26,917.22	23,572.47
a	26,917.22	23,572.47
Reconciliation of net cash provided by operating activities to surplus		
Surplus/(deficit) from ordinary activities	(244.79)	16,402.94
Non-cash flows in surplus/(deficit)		
Depreciation and amortisation	7,375.58	5,618.52
Changes in assets and liabilities:		
Increase/(decrease) in receivables	8,840.00	(786.00)
Increase/(decrease) in payables	5,505.34	(2,514.91)
Net cash provided by operating activities	b 3,796.13	20,292.55

8. Related parties

During the year members of the association were paid for services including commissions for sponsorship and revenue generation and employee benefits for general station operations. The total amounts paid and included in the financials were as follows;

Commissions paid	17,481.75	7,023.37
Employee benefits expense	25,299.77	15,943.20
	42,781.52	22,966.57

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Notes to the financial statements for the year ended 30 June 2020

1. Statement of significant accounting policies

a) Statement of compliance

The committee has determined that the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report which has been prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

These financial statements have been prepared in accordance with following Australian Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1048	Interpretation of Standards
AASB 1054	Australian Additional Disclosures

b) Basis of measurement

The financial statements have been prepared on an accrual basis and are based on historical cost and do not take into account changing money values except where specifically stated.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

c) 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.

Property

Freehold land and buildings are shown at their fair value, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairments losses.

The carrying amount of plant and equipment is reviewed annually by the committee members to ensure that 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 that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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Notes to the financial statements for the year ended 30 June 2020

Depreciation

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

The depreciation rates used for each class of depreciable asset are:

Buildings	2%
Plant and equipment	20%
Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised immediately in profit and loss.

When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d) Impairment

At each reporting date the committee assesses whether there is objective evidence that a financial instrument has been impaired. If any such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

e) Income tax

The association is a not-for-profit organisation and is exempt from income tax under section 50-45 of the *Income Tax Assessment Act 1997*.

f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits, held at call with banks, other short-term highly liquid investments with original maturities cash within three months.

g) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

h) Inventory

Inventory held for sale are measured at the lower of cost and net realisable value.

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Notes to the financial statements for the year ended 30 June 2020

i) 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). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated inclusive of GST.

j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

k) Trade creditors 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 company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days on recognition of the liability.

l) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active market and are stated at amortised cost using the effective interest rate method.

INDEPENDENT AUDIT REPORT**To the members of Yarra Valley FM Inc**

We have audited the accompanying financial report of Yarra Valley FM Inc, which comprises the Balance Sheet as at 30th June 2020 and the Income Statement for the year then ended, 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.

Committee responsibility for the Financial Report

The Committee of Yarra Valley FM Inc are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, Association Incorporation Act and Associations Incorporation Reform Act 2012 and for such internal control as the Committee determine is necessary to enable the preparation and fair presentation of a financial report that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from 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 judgement, including the assessment of the risks of material misstatement of the financial report whether due to fraud or error. In making those assessment, the auditor considers internal control relevant to the Associations preparation and fair presentation of the financial statements 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 the accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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 the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report of Yarra Valley FM Inc presents fairly, in all material respects, the Yarra Valley FM Inc financial position as at 30th June 2020 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, Association Incorporation Act and Association Incorporation Reform Act 2012.



Peter Cunningham
Chartered Accountant
2 Edna Walling Lane
Mooroobark 3138

17th November 2020