

Allan Campbell & WCH House Inc.
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Allan Campbell & WCH House Inc.
FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022
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Allan Campbell & WCH House Inc.
FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022

	Note	2022 \$	2021 \$
Income			
Revenue	2	1,548,261	1,303,288
Other income - COVID related support		0	118,300
Total income		1,548,261	1,421,588
Expenses			
Advertising and promotions		5,195	3,269
Bank fees		638	903
Cleaning		12,335	6,108
Computer expenses		12,096	4,796
Conference expenses		407	0
Contractors		12,181	2,600
Depreciation		214,028	253,205
Electricity and gas		47,140	44,935
Insurance and administration		24	0
Kitchen and house supplies		33,537	34,686
Learning program tutors & others		49,677	66,197
Legal and professional costs		11,925	2,965
Loss on sale of assets		5,768	0
Motor vehicle expenses		555	663
Postage, printing and stationery		4,826	6,646
Provision for annual leave		(20,547)	(2,279)
Provision for long service leave		0	(13,360)
Rates and taxes		13,649	13,620
Repairs and Maintenance		38,805	21,799
Salaries and wages		600,364	627,572
Security		600	1,702
Staff costs		23,860	10,991
Subscriptions & software licences		22,201	24,081
Superannuation		61,439	60,589
Telephone and fax		11,483	11,517
Travel expenses		4,451	15
Volunteer management		3,701	6,287
Program costs		41,280	0
Equipment purchase		2,210	0
Guest expenses		12	0
WorkCover		15,836	11,850
Total expenses		1,229,676	1,201,357
Net current year surplus		318,585	220,231
Other comprehensive income		0	0
Total surplus for the year		318,585	220,231

The accompanying notes form part of these financial statements.

Allan Campbell & WCH House Inc.
FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022
Statement of Financial Position as at 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	3,730,790	2,480,135
Accounts receivable and other debtors	4	214,152	55,430
Prepayments	5	34,475	29,084
Financial assets	3	499,451	1,996,099
TOTAL CURRENT ASSETS		4,478,868	4,560,748
NON-CURRENT ASSETS			
Financial assets	3	750,058	250,000
Capital Work in Progress	6	-	1,500
Property, plant and equipment	6	5,426,847	5,620,345
TOTAL NON-CURRENT ASSETS		6,176,905	5,871,845
TOTAL ASSETS		10,655,773	10,432,593
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	7	227,745	284,842
Provisions	8	15,730	54,038
TOTAL CURRENT LIABILITIES		243,475	338,880
TOTAL LIABILITIES		243,475	338,880
NET ASSETS		10,412,298	10,093,713
EQUITY			
Retained surplus		10,412,298	10,093,713
TOTAL EQUITY		10,412,298	10,093,713

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity for the year ended 31 December 2022

	Retained Surplus
	\$
Balance at 1 January 2021	<u>9,873,482</u>
Net surplus for the year	<u>220,231</u>
Balance at 31 December 2021	<u>10,093,713</u>
Net surplus for the year	<u>318,585</u>
Balance at 31 December 2022	<u>10,412,298</u>

The accompanying notes form part of these financial statements.

Allan Campbell & WCH House Inc.
FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022
Statement of Cash Flows for the year ended 31 December 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Revenue from operating activities		610,015	552,011
Other income - COVID related support		0	118,300
Bequests received		32	0
Grants received		359,932	334,994
Donations		360,305	547,898
Interest received		46,098	12,750
Payments to suppliers and employees		<u>(1,097,519)</u>	<u>(810,688)</u>
Net cash generated from operating activities	9	<u>278,863</u>	<u>755,265</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in Financial assets		996,590	(1,000,000)
Investment distributions (net of fees)		0	0
Payment for property, plant and equipment		<u>(24,798)</u>	<u>(27,795)</u>
Proceeds from the sale of PP&E		<u>0</u>	<u>0</u>
Net cash used in investing activities		<u>971,792</u>	<u>(1,027,795)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash received from financing activities		<u>0</u>	<u>0</u>
Net increase/(decrease) in cash held		1,250,655	(272,530)
Cash on hand at the beginning of the financial year		<u>2,480,135</u>	<u>2,752,665</u>
Cash on hand at the end of the financial year	3	<u>3,730,790</u>	<u>2,480,135</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements for the year ended 31 December 2022

The financial statements were authorised for issue on the 30th of June 2022 by the Board of Management.

Note 1: Summary of Significant Accounting Policies

The Board of Management have prepared the financial statements on the basis that Allan Campbell & WCH House Inc. 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*. Allan Campbell & WCH House Inc. is a not-for-profit organisation 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 accounting policies disclosed below, which the Board of Management 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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

As at June 2022, COVID-19 is still having an impact on operations and fundraising efforts. The organisation is unable to accurately quantify the impact the ongoing pandemic will have on the future financial performance of its business. The Board of Management believes that the organisation holds sufficient cash reserves to meet ongoing financial obligations.

Accounting Policies

a. Revenue

Non-reciprocal grant revenue is recognised in the profit or loss when the organisation obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the organisation and the amount of the grant can be measured reliably.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest method.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax.

b. Property, Plant and Equipment

Property, plant and equipment of the organisation consists of plant and equipment, furniture and fittings, structural improvements and also includes land and buildings located at 270 and 271 Melbourne Street North Adelaide.

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line or diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Furniture and fittings	1.5 to 10
Computer hardware and software	years
Structural improvements	1.5 to 5 years

The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each reporting

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the organisation. Gains and losses between the carrying amount and the disposal proceeds are taken into profit or

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c. Impairment of Assets

At the end of each reporting period, the organisation reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised. Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the organisation would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

d. Employee Provisions

Short-term employee benefits

Provision is made for the organisation's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The organisation's obligations for short-term employee benefits such as wages, salaries and annual leave are recognised as part of accounts payable and other payables in the statement of financial position.

Contributions are made by the organisation to an employee superannuation fund and are charged as expenses when incurred.

e. 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 of three months or less, and bank overdrafts.

f. Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in

g. Accounts Receivable and Other Debtors

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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h. 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).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

i. Income Tax

No provision for income tax has been raised as the organisation is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

j. Provisions

Provisions are recognised when the organisation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

k. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the organisation retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

l. Accounts Payable and Other Payables

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

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Notes to the Financial Statements for the year ended 31 December 2022

Note 2: Revenue and other income

	2022	2021
	\$	\$
Operating revenue - Ronald McDonald House:		
- Accommodation fees received	461,111	466,090
- Bequest received	32	0
- Donations	339,880	547,898
- Donations - in-kind	20,425	0
- Donations - once off	124,079	2,642
- Fundraising events (net) *	175,907	(58,479)
- Grants received	359,932	334,994
- Interest received	46,098	12,750
- Investment distributions (net of fees)	13,157	(6,269)
- Sales - Other	6,380	1,446
- Vending machine	1,260	2,216
	1,548,261	1,303,288
	1,548,261	1,303,288

* Fundraising events (net) comprises all event related income and expenditure and all general fundraising expenditure including employee benefits.

Due to the impact of COVID-19, some events were unable to be held for the year ended 31 December 2022.

Other income - COVID related support **	0	118,300
	0	118,300

** Due to the impact of the COVID-19 pandemic, Ronald McDonald House Charities South Australia was eligible for Federal and State Government funding support. This support was once off revenue and has been included in Other income for the year ended 31 December 2022.

Note 3: Cash at Bank and on Deposit

	2022	2021
	\$	\$
CURRENT		
General bank account	28,301	14,882
Donation account	40,660	61,044
Donation business online saver	206,245	1,148,166
Friends committee bank account	5,584	5,670
Term deposits	3,450,000	1,250,000
Total current cash at bank and on deposit	3,730,790	2,479,762
	3,730,790	2,479,762

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Note 3: Petty Cash

	2022	2021
	\$	\$
Petty Cash	0	126
Petty Cash - Friends Committee	0	247
	0	373
	0	373

Note 3: Financial assets

	2022	2021
	\$	\$
CURRENT		
Financial assets at fair value	499,451	1,996,099
	499,451	1,996,099
	499,451	1,996,099
NON CURRENT		
Financial assets at fair value	250,058	250,000
Long term investments	500,000	0
	750,058	250,000
	750,058	250,000

Note 4: Accounts Receivable and Other Debtors

	2022	2021
	\$	\$
CURRENT		
Trade Debtors	173,210	36,006
Other assets	0	0
GST receivable	17,336	6,648
Income accrued	23,606	12,776
Total current accounts receivable and other debtors	214,152	55,430
	214,152	55,430

Note 5: Prepayments

	2022	2021
	\$	\$
Prepayments	43,808	29,084
Payroll liabilities	(9,333)	0
	34,475	29,084
	34,475	29,084

Note 6: Property, Plant and Equipment

	2022	2021
	\$	\$
Capital Work in Progress		
CWIP - New House	0	1,500
	0	1,500
	0	1,500
Property, Plant and Equipment		
Plant, Furniture and Fittings - at cost	1,660,954	1,637,251
Less accumulated depreciation	(1,515,467)	(1,450,851)
	145,487	186,400
Structural Improvements - at cost	7,363,897	7,363,897
Less accumulated depreciation	(2,082,537)	(1,929,952)
	5,281,360	5,433,945
Total Property, Plant and Equipment	5,426,847	5,620,345

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Notes to the Financial Statements for the year ended 31 December 2022

Note 7: Accounts Payable and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade creditors	104,833	65,113
Other liabilities	18,181	196
Deferred income	96,230	179,203
RMHC House Subsidy	5,000	0
Accrued expenses	3,501	40,330
	<u>227,745</u>	<u>284,842</u>

Note 8: Employee Provisions

	2022	2021
	\$	\$
CURRENT		
Provision for annual leave	12,131	35,107
Provision for long service leave	3,599	18,931
	<u>15,730</u>	<u>54,038</u>

Note 9: Cash Flow Information

	2022	2021
	\$	\$
Reconciliation of cash flows from operating activities with net current year surplus		
Net current year surplus	318,585	220,231
Non-cash flows in current year surplus:		
– in-kind donations (Included in Net Surplus)	0	0
– depreciation and amortisation	214,028	253,205
– non-cash transactions in financial assets	0	9,995
– loss/(gain) from sale of non current assets	5,768	0
Changes in assets and liabilities:		
– (increase)/decrease in accounts receivable and other debtors	(158,722)	138,096
– (increase)/decrease in prepayments	(5,391)	(10,335)
– (decrease)/increase in accounts payable and other payables	(95,405)	144,073
	<u>278,863</u>	<u>755,265</u>

Note 10: Subsequent Events

No subsequent events have occurred which may have an impact, material or otherwise, on the financial statements.

Note 11: Organisation Details

The registered office and principal place of business is:

271 Melbourne Street
North Adelaide SA 5006

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Statement by the Board of Management

The Board of Management declare that, in its opinion:

a) There are reasonable grounds to believe the registered organisation is able to pay all of its debts, as and when they become due and payable; and

b) The attached financial statements and notes thereto satisfy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

i) giving a true and fair view of the financial position and performance of the registered organisation; and

ii) complying with relevant Australian Accounting Standards.

Signed in accordance with a resolution of the Board of Management pursuant to Regulation 60-15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

.....
Rebecca Wessels
CHAIRPERSON

.....
Steven Wild
TREASURER

Dated this 30th day of June 2022.