



CLAN Midland
COMMUNITY LINK & NETWORK

**CLAN MIDLAND INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

CLAN MIDLAND INC.

ABN: 98 913 998 827

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FOR THE YEAR ENDED 30 JUNE 2022

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CLAN MIDLAND INC.

ABN: 98 913 998 827

BOARD'S REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Your Board members submit the financial report of CLAN Midland Inc. for the financial year ended 30 June 2022.

Board members

The names of the Board members throughout the year and at the date of this report are:

Megan Dawson	(Chairperson)	
Seanna Dempsey	(Vice Chairperson)	
Amanda Gray	(Treasurer)	Resigned 15/03/2022
Lesley Bremner Bell	(Secretary)	Resigned 23/11/2021
Daniel McCutcheon	(Secretary)	Appointed 2/08/2022
Aman Singh		
Christopher Cable		Appointed 10/05/2022
Claire Scanlan		Resigned 15/08/2021
Ian Johnson		Resigned 7/08/2021
Mark Rice		Appointed 2/08/2022
Melanie Every		Appointed 2/08/2022
Mithun Parthiban		Resigned 16/06/2022
Sara Browne		

Principal activities

The principal activity of the Association during the financial year is:

To develop and deliver services that empowers children and families to thrive. To facilitate community development and capacity-building initiatives.

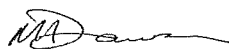
Significant changes

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

Operating result

The surplus of the Association for the financial year amounted to \$31,421.

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



Megan Dawson (Chairperson)



Sara Browne

Dated 28 September 2022

CLAN MIDLAND INC.

ABN: 98 913 998 827

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Income		
Covid related income	-	140,520
Donations	1,250	550
Grants - Government funding body	435,729	432,231
Grants and other fee for service	152,291	29,967
Interest received	17	123
Other income	100	107
Provisions written back	10,938	-
Reimbursements & recoupments - general	991	-
	<hr/>	<hr/>
	601,316	603,498
Expenses		
Administration costs	25,045	42,587
Depreciation	14,114	9,135
Employee benefits	472,671	407,636
Insurance	5,075	8,380
Operational costs	51,125	94,709
Other expenses	31	3
Repairs & maintenance	611	1,104
	<hr/>	<hr/>
	568,672	563,554
Net surplus	<hr/>	<hr/>
	32,644	39,946
Retained surplus at the beginning of the financial year	143,173	103,227
Prior period adjustment	(1,223)	-
	<hr/>	<hr/>
Retained surplus at the end of the financial year	<u>174,594</u>	<u>143,173</u>

The accompanying notes form part of these financial statements.

CLAN MIDLAND INC.

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STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	3	332,720	223,856
Trade and other receivables	4	11,602	10,272
Total current assets		<u>344,322</u>	<u>234,128</u>
Non-current assets			
Property, plant and equipment	5	-	-
Total non-current assets		<u>-</u>	<u>-</u>
Total assets		<u>344,322</u>	<u>234,128</u>
Current liabilities			
Trade and other payables	6	23,797	11,723
Provisions	7	28,386	30,503
Other current liabilities	8	104,491	26,855
Total current liabilities		<u>156,675</u>	<u>69,081</u>
Non-current liabilities			
Provisions	7	13,053	21,874
Total non-current liabilities		<u>13,053</u>	<u>21,874</u>
Total liabilities		<u>169,728</u>	<u>90,955</u>
Net assets		<u>174,594</u>	<u>143,173</u>
Members' funds			
Retained surplus	9	174,594	143,173
Total members' funds		<u>174,594</u>	<u>143,173</u>

The accompanying notes form part of these financial statements.

CLAN MIDLAND INC.

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CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		684,823	610,188
Payments to suppliers and employees		(575,976)	(525,089)
Interest received		17	123
Net cash provided by operating activities	10	<u>108,864</u>	<u>85,222</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	(177)
Net cash provided by financing activities		<u>-</u>	<u>(177)</u>
Net increase in cash held		108,864	85,046
Cash at beginning of financial year		223,856	138,810
Cash at end of financial year	3	<u>332,720</u>	<u>223,856</u>

The accompanying notes form part of these financial statements.

CLAN MIDLAND INC.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Note	Retained surplus \$	Total \$
Balance at 1 July 2020		103,227	103,227
Surplus attributable to members		39,946	39,946
Balance at 30 June 2021		143,173	143,173
Surplus attributable to members		31,421	31,421
Balance at 30 June 2022	9	174,594	174,594

The accompanying notes form part of these financial statements.

CLAN MIDLAND INC.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

The financial statements cover CLAN Midland Inc. (the Association) as an individual entity. CLAN Midland Inc. is a not-for-profit association incorporated in Western Australia under the Associations Incorporation Act 2015 ('the Act').

The principal activity of the Association for the year ended 30 June 2022 is:

To develop and deliver services that empowers children and families to thrive. To facilitate community development and capacity-building initiatives.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

In the opinion of the Board, the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012, the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC), the Associations Incorporation Act (WA) 2015 and the Association's Constitution.

Statement of compliance

The special purpose financial report has been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC) and the recognition, measurement and classification aspects of the applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and listed below:

The financial report does not specifically include the disclosure requirements of all AASBs except for the following minimum requirements: AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1048 Interpretation and Application of Standards and AASB 1054 Australian Additional Disclosures to the extent deemed appropriate by the Board.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Currency

The Association's financial statements are prepared in Australian dollars, which is its functional currency.

CLAN MIDLAND INC.

ABN: 98 913 998 827

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

2 Summary of significant accounting policies

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

Taxation

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Association is endorsed as a Registered Charity with ACNC and has Income Tax Exemption, including GST and FBT concessions with Australian Taxation Office (ATO).

Deductible Gift Recipient

The Association is approved as a Deductible Gift Recipient by the ATO as a Public Benevolent Institution. Gifts to the Association are tax deductible.

Revenue and other income

Revenue (including Grant income) is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below (see note 8), has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is recognised when received.

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 GST.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

CLAN MIDLAND INC.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Property, plant and equipment

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

Plant and equipment is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Depreciation

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

Class of fixed asset	Depreciation Rate
Furniture and equipment	10-20%
Plant and equipment	10-33%

The Board has determined that individual assets with a net purchase price of less than \$2,000 will be depreciated at 100% and written off immediately.

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

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

Provisions

Provisions are recognised when the Association 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.

CLAN MIDLAND INC.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Covid-19 Disclosure

The ongoing impact of the Covid-19 pandemic on the operations of CLAN Midland Inc. is unknown.

The Board acknowledges that the broader community may be impacted and this could affect the ongoing operations of CLAN Midland Inc., in particular in regards to the cost of additional cleaning and social distancing affecting operations including working from home arrangements. The Board considers this impact is likely to be minimal and is unlikely to have significant effect on the ongoing viability of CLAN Midland Inc. operations.

CLAN MIDLAND INC.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
3 Cash and cash equivalents			
CLAN Midland 107648		249,900	140,439
CLAN Savings 536960		80,400	80,383
C/Impact 500626		1,815	549
LoadNGo Debit Cards		605	877
Prepayments		-	1,608
		<u>332,720</u>	<u>223,856</u>
4 Trade and other receivables			
Current			
Prepayments		8,846	-
Accounts receivable		1,574	500.00
Synergy credit		1,182	5,005
GST paid		-	4,767
		<u>11,602</u>	<u>10,272</u>
5 Property, plant and equipment			
Plant and equipment			
Plant & equipment		14,114	-
Less Accumulated depreciation		(14,114)	-
		<u>-</u>	<u>-</u>
6 Trade and other payables			
Current			
Accounts payable		16	472
Accrued expenses		1,175	-
Payables - Other		150	150
PAYG withholding		6,578	8,214
Superannuation payable		2,746	2,887
GST payable		13,132	-
		<u>23,797</u>	<u>11,723</u>

CLAN MIDLAND INC.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
7 Provisions			
Current			
Provision for holiday pay		16,572	21,385
Provision for LSL - current		11,814	9,119
		<u>28,386</u>	<u>30,504</u>
Non-current			
Provision for LSL		13,053	21,874
		<u>13,053</u>	<u>21,874</u>
8 Other liabilities			
Current			
Deferred income			
Revenue (Grants - other) received in advance		79,817	-
Revenue (Grants) received in advance		2,291	4,240
FASTWORKS		22,383	22,615
		<u>104,491</u>	<u>26,855</u>

In deferring income received from Communities for Children (Funded by the Department of Social Services), the Board has applied the recognition and measurement criteria of AASB 15 Revenue from Contracts, having determined that the performance obligations associated with the grant conditions are sufficiently specific to do so.

CLAN MIDLAND INC.

ABN: 98 913 998 827

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
9 Retained surplus			
Retained earnings at the beginning of the financial year		143,173	103,227
Net profit		32,644	39,946
Prior period adjustment		(1,223)	-
		<u>174,594</u>	<u>143,173</u>
10 Cash flow information			
Reconciliation of net cash in operating activities to operating result			
Surplus from operations		31,421	39,946
Non-cash flows in surplus			
Leave Provisions		(10,938)	3,084
Changes in operating assets and liabilities			
(Increase)/decrease in trade receivables		(1,074)	4,450
(Increase)/decrease in other current assets		(256)	4,311
Increase/(decrease) in trade payables		(456)	472
Increase/(decrease) in other current payables		90,167	32,960
		<u>108,864</u>	<u>85,222</u>

CLAN MIDLAND INC.

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STATEMENT BY MEMBERS OF THE BOARD

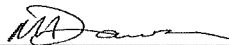
FOR THE YEAR ENDED 30 JUNE 2022

The Board 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 2 to the financial statements.

In the opinion of the Board the financial report:

1. there are reasonable grounds to believe that CLAN Midland Inc. is able to pay all of its debts, as and when they become due and payable; and
2. the financial statements and notes satisfy the requirements of the Australian Charities and Not-for profits Commission Act 2012.
3. the Board has complied with the Governance Standards of the ACNC.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for profits Commission Regulation 2013.



Megan Dawson (Chairperson)



Sara Browne

Dated 28 September 2022

AUDITOR'S INDEPENDENCE DECLARATION

CLAN MIDLAND INC.

ABN : : 98 913 998 827

To the Board of Management of CLAN Midland Inc.

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* and section 80 of the *Associations Incorporation Act 2015 (WA)*, in relation to our review of the financial report of CLAN Midland Inc. for the year ended 30 June 2022 to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the review; and
- No contraventions of the auditor independence requirements of the *Associations Incorporation Act 2015 (WA)* in relation to the review; and
- No contraventions of any applicable code of professional conduct in relation to the review

HARDING & THORNBURY AUDIT



Ross Brough CA CTA

Dated 30 September 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

CLAN MIDLAND INC.

ABN: : 98 913 998 827

To the Members of CLAN Midland Inc.

Report on the Review of the Financial Report

Conclusion

We have reviewed the financial report of CLAN Midland Inc. (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the statement by the Board of Management.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial report of CLAN Midland Inc. does not give a true and fair view of the financial position of the Association as at 30 June 2022, and of its financial performance and its cash flows for the year ended on that date, in accordance with:

- a) Australian Accounting Standards to the extent described in Note 1,
- b) the *Associations Incorporation Act 2015 (WA)*,
- c) Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act)*
- d) the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the *Associations Incorporation Act 2015 (WA)* and the *ACNC Act*. As a result, the financial report may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

Responsibilities of the Board of Management for the Financial Report

The Board of Management is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Act 2015 (WA)* and the *ACNC Act* and the needs of the members. The responsibility of the Board of Management also includes such internal control as the Board of Management 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 Board of Management 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 Board of Management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board of Management is responsible for overseeing the Association's financial reporting process.

INDEPENDENT AUDITOR'S REVIEW REPORT

CLAN MIDLAND INC.

ABN: : 98 913 998 827

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Association*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with the basis of preparation described in Note 1 to the financial report. As the auditor of CLAN Midland Inc., ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Australian professional accounting bodies.

Report on Other Legal and Regulatory Requirements

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that, CLAN Midland Inc. has not complied with 60-30(3)(b), (c) and (d) of the *ACNC Act* and 82(1)(b), (c) and (d) of the *Associations Incorporation Act 2015 (WA)*:

- by providing us with all information, explanation and assistance necessary for the conduct of the review;
- by keeping financial records sufficient to enable a financial report to be prepared and reviewed; and
- by keeping other records required by Part 3-2 of the *ACNC Act*, including those records required by Section 50-5 that correctly record its operations, so as to enable any recognised assessment activity to be carried out in relation to the Association.
- by keeping other records required by Part 5 of the *Associations Incorporation Act 2015 (WA)*, including those records required by Section 66 that correctly record its operations, so as to enable true and fair financial statements to be prepared.

HARDING & THORNBURY AUDIT



Ross Brough CA CTA

Dated: 30 September 2022

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