



**O'Regan & Partners Audit Services**  
Chartered Accountants • Business Advisors

# **Financial Report**

Magnetic Island Community Development Association Inc.

ABN 88 303 909 978

For the year ended 31 December 2019

Prepared by O'Regan & Partners

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# Committee's Report

Magnetic Island Community Development Association Inc.  
For the year ended 31 December 2019

## Committee's Report

Your committee members submit the financial report of Magnetic Island Community Development Association Inc. for the financial year ended 31 December 2019.

## Principal Activities

The principal function of the Association during the financial year was the organisation and management of the Magnetic Island Community Development Association and related activities.

## Significant Changes

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

## Operating Result

The surplus for the Association for the year was \$ 10,579 (2018 deficit: \$5,571).

Signed in accordance with a resolution of the Members of the Committee on:

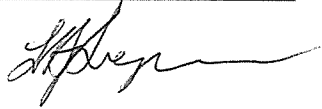
*LES SAMPSON*

Name:

President

Date

13/4/21



*Christine Sampson*

Name:

Treasurer

Date

13/4/2021



# Statement of Financial Performance

Magnetic Island Community Development Association Inc.

For the year ended 31 December 2019

Account	2019	2018
<b>Income</b>		
Container Exchange	1,945	-
Grants - TCC Operational	-	1,000
Grants & Donations Other	38,090	29,956
Interest	696	975
Markets	14,200	13,290
Memberships	3,315	2,494
<b>Total Income</b>	<b>58,246</b>	<b>47,716</b>
<b>Expenses</b>		
Audit Fees	880	4,290
Administration Costs	2,837	2,727
Bank Charges	132	96
Fauna Care - Koala Grant & Sponsorships	13,631	24,520
Festival Expenses - 40 Hour Jamin	14,262	4,431
Festival Expenses - Bay Days	5,816	5,815
Grant Expenditure	5,966	6,772
Insurance	4,143	4,636
<b>Total Expenses</b>	<b>47,667</b>	<b>53,286</b>
<b>Surplus/ (Deficit) For The Year</b>	<b>10,579</b>	<b>(5,571)</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Statement of Financial Position

Magnetic Island Community Development Association Inc.

As at 31 December 2019

Account	Notes	31 Dec 2019	31 Dec 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	65,151	54,907
<b>Total Current Assets</b>		<b>65,151</b>	<b>54,907</b>
<b>Total Assets</b>		<b>65,151</b>	<b>54,907</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accrued Expenses		682	3,665
Unexpended Grants	3	34,188	31,538
<b>Total Current Liabilities</b>		<b>34,869</b>	<b>35,203</b>
<b>Total Liabilities</b>		<b>34,869</b>	<b>35,203</b>
<b>Net Assets</b>		<b>30,282</b>	<b>19,704</b>
<b>Members Funds</b>			
Capital Introduced		14,032	14,032
Current year earnings		10,579	(5,571)
Retained Earnings		5,672	11,242
<b>Total Members Funds</b>		<b>30,282</b>	<b>19,704</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Notes to the Financial Statements

Magnetic Island Community Development Association Inc.  
For the year ended 31 December 2019

## 1. Statement of Significant Accounting Policies

### Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act QLD. 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 historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

### Income Tax

The body is a non-profit organisation and exempt from Income Tax under Division 50 of the Income Tax Assessment Act 1997.

### Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably.

Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

### *Fees and Levies*

Fees and levies are recognised as revenue in the year in which the service is provided.

### *Contributions*

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the Corporation obtains control over them. Where grants are received that are reciprocal in nature, revenue is accrued over the term of the funding arrangements.

### *Interest*

Interest revenue is generally recorded on receipt from the relevant financial institution.

### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

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These notes should be read in conjunction with the attached compilation report.

**Accounts Receivable and Other Debtors**

All trade debtors are recognised at the amounts receivable as they are due for settlement at no more than 30 days.

Collectability of trade debtors is reviewed on an ongoing basis. Bad debts which are known to be uncollectible are written off during the year in which they are identified. A provision for doubtful debts is established where there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables. The movement in provision is recognised in the income statement.

**Property, Plant and Equipment (PPE)**

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

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the company. Depreciation commences from the time the asset is held ready for use. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

**Accounts Payable and Other Payables**

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the Corporation that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

Account	2019	2018
<b>2. Cash &amp; Cash Equivalents</b>		
<b>Bank Accounts</b>		
QCCU Cheque Account	4,451	792
QCCU Online Saver (Festival)	526	1,580
QCCU Online Saver (Main)	10,755	33,363
QCCU Online Saver (Markets)	11,158	5,289
QCCU Online Saver (Zero Waste)	23,543	-
Paypal Account	568	-
<b>Total Bank Accounts</b>	<b>51,000</b>	<b>41,024</b>
<b>Other Cash Items</b>		
Sundry Debtors	46	62
Term Deposit	14,106	13,821
<b>Total Other Cash Items</b>	<b>14,152</b>	<b>13,883</b>
<b>Total Cash &amp; Cash Equivalents</b>	<b>65,151</b>	<b>54,907</b>

**3. MICDA cash funds allocated to specified activities as at 31 December 2019**

	Opening Balance 31/12/2018	Income	Expenses / Tfnd	Closing Balance 31/12/2019
HSB Markets	8,222	14,296	11,145	11,373
Youth Visual Arts	2,208	-	-	2,208
Koalas	20,967	-	20,967	-
Friends of Parks - Weeders	10,571	4,800	4,726	10,645
Bay Day Festival	475	-	-	475
Zero Waste	-	24,789	1,246	23,543

These notes should be read in conjunction with the attached compilation report.

# Independent Auditor's Report to the Members

Magnetic Island Community Development Association Inc.

For the year ended 31 December 2019

## Report on the Financial Report

We have audited the accompanying financial report, being a special-purpose financial report of Magnetic Island Community Development Association Inc. which comprises the statement of financial position as 31 December 2019, the statement of financial performance for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by members of the committee.

## Committee's Responsibility for the Financial Report

The committee members of the entity are responsible for the preparation 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 Associations Incorporation Act and are appropriate to meet the needs of the members. The committee members' responsibility also includes such internal control as the committee members determine is necessary to enable the preparation of a financial report that is 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 have 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 risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 members, 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 Accounting Professional and Ethical Standard Board.

## Basis for Qualified Opinion

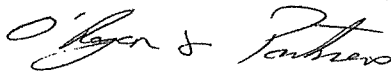
As is common for organisations of this type, it is not practicable for Magnetic Island Community Development Association Inc. to maintain an effective system of internal control over income until their initial entry in the accounting records. Accordingly, our audit in relation to receipt of income was limited to amounts recorded.

## Opinion

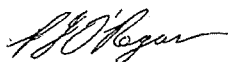
In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Magnetic Island Community Development Association Inc. gives a true and fair view of the entity's financial position as at 31 December 2019 and of its performance for the year ended on that date and comply with Australian Accounting Standards to the extent described in Note 1 to the financial report.

## Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee members' financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose.



O'Regan & Partners  
Chartered Accountants  
241 Sturt Street  
TOWNSVILLE QLD 4810



Peter O'Regan  
Partner  
Dated: