



TIME FOR KIDS SPECIAL PURPOSE FINANCIAL STATEMENT

2016/2017 FINANCIAL YEAR

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TIME FOR KIDS INCORPORATED
Statement of Comprehensive Income
For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
INCOME			
Grants	2	558,364	661,061
Fundraising	2	92,854	68,753
Trading/Operating Activities		–	1,075
Total trading income		651,218	730,889
Other Income		33,388	32,969
Total other income		33,388	32,969
Total income		684,606	763,858
EXPENSES			
Salaries and Wages	3	510,270	537,731
Client Support Services		30,752	36,116
Volunteer Costs		12,633	35,748
Operating Costs	3	103,620	106,211
Total expenses		657,275	715,806
Net surplus for the period		27,331	48,052
Other comprehensive income		–	–
TOTAL COMPREHENSIVE INCOME		27,331	48,052

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

TIME FOR KIDS INCORPORATED
Balance Sheet
As at 30 June 2017

	Notes	2017 \$	2016 \$
ASSETS			
Cash and Cash Equivalents	4	427,436	311,652
Trade and Other Receivables		46,657	37,578
Prepayments		2,558	3,614
Total current assets		476,651	352,844
Property and Equipment		2,933	4,533
Total non-current assets		2,933	4,533
Total assets		479,584	357,377
LIABILITIES			
Trade and Other Payables	5	194,699	104,285
Provisions	6	35,761	32,955
Total current liabilities		230,460	137,240
Provisions	6	8,999	7,343
Total non-current liabilities		8,999	7,343
Total liabilities		239,459	144,583
NET ASSETS		240,125	212,794
EQUITY			
Retained Earnings Brought Forward		212,794	164,742
Current Year Profit		27,331	48,052
TOTAL EQUITY		240,125	212,794

The above Balance Sheet should be read in conjunction with the accompanying notes.

TIME FOR KIDS INCORPORATED
Statement of Changes in Equity
For the year ended 30 June 2017

	Retained earnings \$	Total \$
At 1 July 2016	212,794	212,794
Profit / (loss) for the period	27,331	24,583
At 30 June 2017	240,125	237,377

The Organisation has presented statement of changes in equity for the first time as at 30 June 2017.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

TIME FOR KIDS INCORPORATED
Cash Flow Statement
For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from grantors		760,033	657,908
Payments to suppliers and employees		(651,524)	(727,454)
Interest received		7,275	2,792
Cash flow provided for / (used in) operating activities	4	115,784	(66,754)
<hr/>			
Cash flows from investing activities		-	-
<hr/>			
Cash flows from financing activities		-	-
<hr/>			
Net increase / (decrease) in cash and cash equivalents		115,784	(66,754)
Cash and cash equivalents at the beginning of the period		311,652	378,406
Cash and cash equivalents at the end of the year	4	427,436	311,652

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

TIME FOR KIDS INCORPORATED
Notes to the Financial Statements
For the year ended 30 June 2017

1. STATEMENT COMPLIANCE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance and basis of preparation

Time for Kids Incorporated ("the Organisation") is an association incorporated and domiciled in Australia. The Association is a not-for-profit entity for purposes of preparing the special purpose financial statements.

The address of the registered office is:
275 Main North Road
Enfield SA 5085.

The association is not a reporting entity because in the Board of Management's opinion, it is unlikely that users exist that are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs.

The special purpose financial report has been prepared specifically for distribution to members in accordance with the constitution of the Organisation. The accounts have been prepared on an accruals basis. They are based on historical costs except where specifically identified otherwise, and do not take into account changing money values. The Board of the Organisation has determined that the association is not a reporting entity and therefore has only applied the measurement requirements of Australian Accounting Standards and other mandatory professional reporting requirements in Australia including the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 1985*, as they relate to the recognition and measurement of items presented in the financial statements.

The special purpose financial statements have been prepared in accordance with the following standards presentation and disclosure 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 of Standards*
AASB 1054, *Australian Additional Disclosures*.

Adoption of new accounting standards and interpretations

Certain Australian accounting standards and amendments to standards, which became applicable from 1 July 2016, have been adopted by the Organisation. These standards and amendments have not had a significant impact on the accounting policies, financial position or performance of the Organisation, or on presentation or disclosure in the special purpose financial statements.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Organisation for the annual reporting period ended 30 June 2017. These are outlined in the following table:

TIME FOR KIDS INCORPORATED
Notes to the Financial Statements
For the year ended 30 June 2017

**1. STATEMENT COMPLIANCE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

(a) Statement of compliance and basis of preparation (continued)

Adoption of new accounting standards and interpretations (continued)

Title	Description	Application of standard	Impact on financial report
AASB 1058 <i>Income of Not-for-Profit Entities</i>	AASB 1058 will defer income recognition in some circumstances for not-for-profit entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately. The Standard also expands the circumstances in which not-for-profit entities are required to recognise income for goods and services received for consideration that is significantly less than the fair value of the asset principally to enable the entity to further its objectives (discounted goods and services), including for example, peppercorn leases. Consequently AASB 1004 Contributions is also amended, with its scope effectively limited to address issues specific to government entities and contributions by owners in a public sector entity context.	1 January 2019	Impact is currently being assessed.
AASB 15 <i>Revenue from Contracts with Customers</i>	AASB 15 replaces all existing revenue requirements in Australian Accounting Standards (AASB 111 Construction Contracts, AASB 118 Revenue, AASB Interpretation 13 Customer Loyalty Programmes, AASB Interpretation 15 Agreements for the Construction of Real Estate, AASB Interpretation 18 Transfers of Assets from Customers and AASB Interpretation 131 Revenue – Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as AASB 117 (or AASB 16 Leases, once applied). The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.	1 January 2018	Impact is currently being assessed.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(c) Property and equipment

Property and equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Organisation's management.

Other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment.

TIME FOR KIDS INCORPORATED
Notes to the Financial Statements
For the year ended 30 June 2017

**2. STATEMENT COMPLIANCE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

(c) Property and equipment (continued)

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

The following estimated useful lives are used in the calculation of depreciation:

- plant and equipment: 3-10 years;
- leasehold improvements: life of lease;
- office equipment: 3 – 5 years.

(d) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Organisation prior to the end of the financial year that are unpaid and arise when the Association becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are usually unsecured.

(e) Provisions and employee benefits

Provisions are recognised when the association has a present obligation (legal and constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(f) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Organisation and the revenue can be reliably measured.

Government grants

A number of the Organisation's programs are supported by grants received from the federal and state governments.

TIME FOR KIDS INCORPORATED
Notes to the Financial Statements
For the year ended 30 June 2017

1. STATEMENT COMPLIANCE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(f) Revenue recognition (continued)

If conditions are attached to a grant which must be satisfied before the Organisation is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Organisation obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the Organisation receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Donations and Bequests

Donations collected, including cash and goods for resale, are recognised as revenue when the Organisation gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Organisation becomes legally entitled to the shares or property.

(g) Operating Expense

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

(h) Income tax and other taxes

The activities of the Organisation are exempt from income tax.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and service is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables, which are statement with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

TIME FOR KIDS INCORPORATED
Notes to the Financial Statements
For the year ended 30 June 2017

2. INCOME

	2017	2016
	\$	\$
Grants		
State government	317,659	403,719
Federal government	41,820	46,373
Non-government/philanthropic	198,885	210,969
	558,364	661,061
Fundraising		
Fundraising – Gifts	60,634	34,498
Fundraising – Contributions	32,220	30,605
	92,854	65,103

3. EXPENSES

	2017	2016
	\$	\$
Salaries and wages		
Salaries and wages	450,965	461,940
Superannuation	40,422	41,692
Other employee entitlements	18,883	34,099
	510,270	537,731
Operating costs		
Printing and telecommunications	14,880	13,279
Advertising	5,074	345
Utilities	6,384	14,291
Computer software & hardware support	14,753	12,587
Consultancy fees	23,402	18,011
Repairs and maintenance	312	1,589
Fundraising	7,100	7,131
Insurance	10,300	10,446
Membership fees	1,515	3,199
Training and development	8,292	7,743
Depreciation	1,600	1,600
Others	10,008	15,990
	103,620	106,211

TIME FOR KIDS INCORPORATED
Notes to the Financial Statements
For the year ended 30 June 2017

4. CASH AND CASH EQUIVALENTS

	2017	2016
	\$	\$
Cash in bank	425,857	307,719
Cash on hand	1,579	3,933
	427,436	311,652

Below is a reconciliation of net cash flow from operating activities to profit for the period.

	2017	2016
	\$	\$
Profit for the period	27,331	48,052
Non-cash item		
Depreciation	1,600	1,600
Decrease/(increase) in assets		
Trade and other receivables	(9,079)	4,287
Prepayments	1,056	(176)
Increase/(decrease) in liabilities		
Trade and other payables	90,414	(141,049)
Provisions	4,462	20,532
Net cash provided for / (used in) operating activities	115,784	(66,754)

5. TRADE AND OTHER PAYABLES

	2017	2016
	\$	\$
Grants received in advance	111,781	20,000
Trade creditors	9,259	15,844
Payroll liabilities	32,916	31,027
GST payable	8,738	17,460
Accrued and other liabilities	32,005	19,954
	194,699	104,285

Grants received in advance and trade creditors are non-interest bearing and are normally settled within 12 months. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

TIME FOR KIDS INCORPORATED
Notes to the Financial Statements
For the year ended 30 June 2017

6. PROVISIONS

	2017	2016
	\$	\$
Current		
Employee benefits – annual leave	35,761	32,955
Non-current		
Employee benefits – long service leave	8,999	7,343
	44,760	40,298

7. REMUNERATION OF AUDITORS

	2017	2016
	\$	\$
Statutory audit fees	10,000	8,500
	10,000	8,500

Board Members' Declaration

In accordance with a resolution of the members of Time For Kids Incorporated ("the Association") Board Committee, we advise that in our opinion:

- (a) the Association is not a reporting entity as defined in the Australian Accounting Standards:
- (b) the special purpose financial statements and notes of the Association are in accordance with the *Associations Incorporation Act 1985* and *Australian Charities and Not-for-Profits Commission Act 2012* legislation, including:
 - (i) giving a true and fair view of the Association's financial position as at 30 June 2017 and of its performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
 - (ii) complying with Accounting Standards to the extent described in Note 1 to the special purpose financial statements and complying with the *Australian Charities and Not-for-Profits Commission Regulation 2013*;
- (c) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (d) in accordance with Section 35 (5) of the *Associations Incorporation Act 1985*, the Board of Time For Kids Incorporated hereby states that during the financial year ended 30 June 2017
 - (i) one officer of the Association, being the Vice President Diarmid Lee, was individually contracted by the Board of Management to provide services contracted for the delivery of training and development to a staff, with this work totalling \$3,080 in the financial year.

Outside of these contracts:

- (1) no other officer of the Association;
- (2) no other firm of which an officer is a member; and
- (3) no other body of the corporate in which an officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the Officer, from, or corporate body and the Association.

On behalf of the members of the Board.



Ben Scales, President



Travis Rickard, Treasurer

Dated at Adelaide, 25 October 2017

Independent Auditor's Report to the Members of Time For Kids Incorporated

Opinion

We have audited the financial report, being a special purpose financial report, of Time For Kids Incorporated (the Company), which comprises the balance sheet as at 30 June 2017, the profit and loss statement and cash flow statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the board members' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Associations Incorporation Act 1985*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

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 Company 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 for the purpose of fulfilling the members' financial reporting responsibilities under the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Associations Incorporation Act 1985*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The members are responsible for the other information. The other information is the statement by board members accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Members for the Financial Report

The members of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Associations Incorporation Act 1985* and is appropriate to meet the needs of the members. The members' responsibility also includes such internal control as the members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members are responsible for assessing the Company'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 members either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 the 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.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our auditor's report.

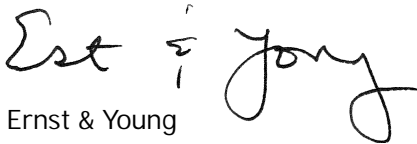

Ernst & Young



Nigel Stevenson
Partner
Adelaide
25 October 2017

Auditor's Independence Declaration to the Members of Time For Kids Incorporated

In relation to our audit of the financial report of Time For Kids Incorporated for the financial year ended 30 June 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012* and the *Associations Incorporation Act 1985*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.



Ernst & Young



Nigel Stevenson
Partner
25 October 2017