

# SunnyKids Inc

ABN: 62 774 810 987

Annual Financial Report  
For the year ended  
30 June 2019

## Contents

Committee's Report .....	3
Statement of profit or loss and other comprehensive income.....	5
Statement of financial position.....	6
Statement of changes in equity .....	7
Statement of cash flows.....	8
Notes of the Financial Statements .....	9
Committees' declaration.....	15

# Committee's Report

SunnyKids Inc

For the year ended 30 June 2019

## Committee's Report

Your committee members submit the financial report of SunnyKids Inc for the financial year ended 30 June 2019.

## Committee Members

The names of committee members throughout the year were as follows:

Committee Member	Position
<i>Sally Desch</i>	<i>President</i>
<i>Chris Turner</i>	<i>Executive Director (resigned 23/09/2019)</i>
<i>Mark Aponas</i>	<i>Secretary</i>
<i>Victor Woll</i>	<i>Treasurer</i>
<i>Marilyn Black</i>	<i>Board Member</i>
<i>Brendan Mason</i>	<i>Board Member</i>
<i>Sue Gilbert</i>	<i>Board Member</i>
<i>John Bernie</i>	<i>Board Member</i>

## Principal Activities

To work with children, families and communities to help everyone take responsibility for the future. Activities included accommodation care, family support services, and youth support services.

## Significant Changes

There were no significant changes from the prior year

## Operating Result

The net surplus for the financial year amounted to \$5,035 (2018 loss: \$3,186)

## Committee's Report (Cont)

SunnyKids Inc

For the year ended 30 June 2019

### Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The management committee of SunnyKids Inc. believe that the going concern assumption is appropriate.

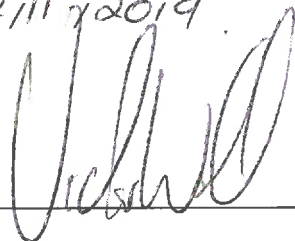
Signed in accordance with a resolution of the Members of the Management Committee on:



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*Sally Desch (President)*

Date 12/11/2019



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*Victor Woll (Treasurer)*

Date 12/11/2019

# Statement of profit or loss and other comprehensive income

SunnyKids Inc

For the year ended 30 June 2019

	2019	2018
	\$	\$
<b>INCOME</b>		
Donations, gifts and contributions	333,111	239,330
Grants & acquittal funds	679,356	642,720
Fundraising income	567,768	418,214
Other income	147,654	129,436
Interest received	2,781	1,198
	<u>1,730,670</u>	<u>1,430,898</u>
<b>EXPENDITURE</b>		
Accounting fees	(8,010)	(7,734)
Administration expenses	(120,336)	(115,869)
Advertising and marketing expenses	(13,523)	(39,781)
Bank charges	(4,869)	(5,037)
Facility related expenses	(71,198)	(71,824)
Frontline expenses	(84,997)	(22,507)
Fundraising and event expenses	(391,898)	(205,065)
Motor vehicle expenses	(30,135)	(29,491)
Other employment expenses	(67,338)	(43,474)
Salaries and wages	(839,175)	(788,940)
Salaries and wages – superannuation	(78,825)	(76,950)
Utilities expense	-	(1,418)
	<u>(1,710,304)</u>	<u>(1,408,090)</u>
<b>Operating Surplus / (Loss)</b>	<u><b>20,366</b></u>	<u><b>22,808</b></u>
Depreciation and amortisation expense	(15,199)	(19,323)
Interest expense	(133)	(6,671)
<b>Net surplus/(loss)</b>	<u>5,035</u>	<u>(3,186)</u>
Other comprehensive income	-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<u><b>5,035</b></u>	<u><b>(3,186)</b></u>

The accompanying notes on pages 9 to 14 form part of these financial statements.

## Statement of financial position

SunnyKids Inc

As at 30 June 2019

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
Cash and cash equivalents	2	409,674	444,689
Accounts receivable and other receivables	3	122,292	13,047
Prepayments	3	13,100	9,123
Total Current Assets		<u>545,066</u>	<u>466,859</u>
Property, plant and equipment	4	460,570	475,769
Total Non-Current Assets		<u>460,570</u>	<u>475,769</u>
<b>TOTAL ASSETS</b>		<b><u>1,005,636</u></b>	<b><u>942,628</u></b>
<b>LIABILITIES</b>			
Accounts payable and other payables	5	100,156	92,321
Deferred grant and fundraising income	6	151,775	118,735
Borrowings	8	7,815	13,996
Employee provisions	7	99,910	76,631
Total Current Liabilities		<u>359,656</u>	<u>301,683</u>
Borrowings	8	-	-
Total Non-Current Liabilities		<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<b><u>359,656</u></b>	<b><u>301,683</u></b>
<b>NET ASSETS</b>		<b><u>645,980</u></b>	<b><u>640,945</u></b>
<b>MEMBERS' FUNDS</b>			
Asset revaluation reserve		11,940	11,940
Retained surplus		634,040	629,005
<b>TOTAL MEMBERS' FUNDS</b>		<b><u>645,980</u></b>	<b><u>640,945</u></b>

The accompanying notes on pages 9 to 14 form part of these financial statements.

## Statement of changes in equity

SunnyKids Inc

For the year ended 30 June 2019

	Retained Surplus \$	Asset Revaluation Reserve \$	Total Equity \$
<b>Opening Balance 1 July 2017</b>	632,192	11,940	644,131
<b>Total comprehensive income</b>			
Loss for the year	(3,186)	-	(3,186)
Other comprehensive income	-	-	-
	<u>(3,186)</u>	<u>-</u>	<u>(3,186)</u>
<b>Balance at 30 June 2018</b>	<b>629,005</b>	<b>11,940</b>	<b>640,945</b>
<b>Total comprehensive income</b>			
Surplus for the year	5,035	-	5,035
Other comprehensive income	-	-	-
	<u>5,035</u>	<u>-</u>	<u>5,035</u>
<b>Balance at 30 June 2019</b>	<b>634,040</b>	<b>11,940</b>	<b>645,980</b>

The accompanying notes on pages 9 to 14 form part of these financial statements.

## Statement of cash flows

SunnyKids Inc

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Cash flows from Operating Activities</b>			
Receipts from grants, donations and fundraising		1,775,201	1,494,438
Payments to suppliers and employees		(1,803,902)	(1,443,312)
Interest paid		(133)	(6,671)
<b>Total Cash flows from Operating Activities</b>		<b>(28,833)</b>	<b>44,455</b>
<b>Cash flows from Investing Activities</b>			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		-	(4,929)
<b>Total Cash flows from Investing Activities</b>		<b>-</b>	<b>(4,929)</b>
<b>Cash flows from Financing Activities</b>			
Repayment of borrowings		(6,181)	(101,425)
<b>Total Cash flows from Financing Activities</b>		<b>(6,181)</b>	<b>(101,425)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(35,015)</b>	<b>(61,899)</b>
<b>Cash Balances</b>			
Opening cash balance		444,689	506,588
Closing cash balance	2	409,674	444,689
<b>Movement in cash</b>		<b>(35,015)</b>	<b>(61,899)</b>

The accompanying notes on pages 9 to 14 form part of these financial statements.



# Notes of the Financial Statements

SunnyKids Inc

For the year ended 30 June 2019

## 1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act QLD 1981. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

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

### Income Tax

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

### Property, Plant and Equipment (PPE)

Plant and equipment, leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

Depreciation is recognised on an asset class basis on either a diminishing value or straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment. The following useful lives are applied:

- Buildings: 40 years
- Motor vehicles: 8 years
- Office equipment: 2-10 years

### Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

## Notes to the financial statements (cont.)

SunnyKids Inc

For the year ended 30 June 2019

### 1. Summary of Significant Accounting Policies (cont)

#### Employee Provisions

##### Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

##### Other long-term employee benefits

SunnyKids presents employee benefit obligations as current liabilities in the statement of financial position if it does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

#### 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. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### Cash on Hand

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

## Notes to the financial statements (cont.)

SunnyKids Inc

For the year ended 30 June 2019

### 1. Summary of Significant Accounting Policies (cont)

#### Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. 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.

#### 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. For this purpose, deferred consideration is not discounted to present values when recognising revenue. Revenue comprises from the sale of goods, government grants, fundraising activities and client contributions.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, determine once grant funding conditions have been met. 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 SunnyKids 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 SunnyKids 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 collected, including cash and goods for resale, are recognised as revenue when SunnyKids gains control, economic benefits are probable and the amount of the donation can be measured reliably.

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

## Notes to the financial statements (cont.)

SunnyKids Inc

For the year ended 30 June 2019

### 1. Summary of Significant Accounting Policies (cont)

#### 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 assets and liabilities statement.

#### 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 association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### Comparative Figures

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

When the association 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 disclosed.

### 2. Cash on Hand

	2019	2018
	\$	\$
Cash and cash equivalents	409,424	444,439
Cash floats	250	250
<b>Total Cash on Hand</b>	<b>409,674</b>	<b>444,689</b>

### 3. Trade and Other Receivables

	2019	2018
	\$	\$
Accounts Receivable	122,292	13,047
<b>Total Trade Receivables</b>	<b>122,292</b>	<b>13,047</b>
Prepaid Registration & Memberships	-	3,334
Prepaid Insurance	13,100	5,789
<b>Total Other Current Assets</b>	<b>13,100</b>	<b>9,123</b>
<b>Total Trade and Other Receivables</b>	<b>135,392</b>	<b>22,170</b>

## Notes to the financial statements (cont.)

SunnyKids Inc

For the year ended 30 June 2019

### 4. Property, Plant & Equipment

	2019 \$	2018 \$
Nambour property	390,000	390,000
<b>Total Land</b>	<b>390,000</b>	<b>390,000</b>
Plant & Equipment	7,882	7,045
Accumulated Depreciation	(4,270)	(2,606)
<b>Total Plant and equipment</b>	<b>3,612</b>	<b>4,439</b>
Fit Out Office & Units	34,102	63,776
Accumulated Depreciation	(7,163)	(33,937)
<b>Total Leasehold Improvements</b>	<b>26,939</b>	<b>29,839</b>
Furniture & Fittings	7,461	18,529
Accumulated Depreciation	(2,879)	(13,139)
Office Equipment	17,181	27,598
Accumulated Depreciation	(8,460)	(15,969)
<b>Total Office Equipment</b>	<b>13,303</b>	<b>17,019</b>
Motor Vehicles	57,390	171,105
Accumulated Depreciation	(30,674)	(136,636)
<b>Total Motor Vehicles</b>	<b>26,716</b>	<b>34,472</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>460,570</b>	<b>475,766</b>

### 5. Trade & Other Payables

	2019 \$	2018 \$
Accounts Payable	57,596	38,023
Accrued Expenses	8,000	16,350
Payroll related payables	32,374	37,960
GST Payable	2,186	(12)
<b>Total Trade &amp; Other Payables</b>	<b>100,156</b>	<b>92,321</b>

### 6. Deferred Income

	2019 \$	2018 \$
Deferred Income Government Grants	83,579	103,629
Deferred Income Fundraising Revenue	68,196	15,106
<b>Total Deferred Income</b>	<b>151,775</b>	<b>118,735</b>

Notes to the financial statements (cont.)

SunnyKids Inc

For the year ended 30 June 2019

**7. Employee Entitlements**

	<b>2019</b>	<b>2018</b>
	\$	\$
Provision for Executive Leave	20,377	13,000
Provision for Long Service Leave	10,489	4,164
Provision for Annual Leave	69,044	59,467
<b>Total Employee Entitlements</b>	<b>99,910</b>	<b>76,631</b>

**8. Borrowings**

	<b>2019</b>			<b>2018</b>		
	\$			\$		
	Current	Non-Current	Total	Current	Non-Current	Total
Bank Loans	58	-	58	8,395	-	8,395
Credit card	7,757	-	7,757	5,601	-	5,601
<b>Total</b>	<b>7,815</b>	<b>-</b>	<b>7,815</b>	<b>13,996</b>	<b>-</b>	<b>13,996</b>

## Committees' declaration

SunnyKids Inc

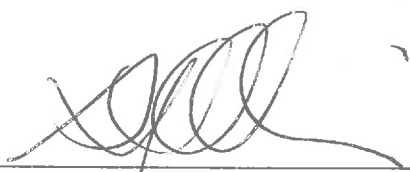
For the year ended 30 June 2019

In the opinion of the Management Committee of SunnyKids Inc. ("the Association"):

- (a) the incorporated association is not a reporting entity;
- (b) the financial statements and notes, set out on pages 5 to 14, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - (i) giving a true and fair view of the financial position of the Association as at 30 June 2019 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date in accordance with the basis of preparation described in Note 1; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1, and the Australian Charities and Not-for-profits Commission Act 2012; and
- (c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

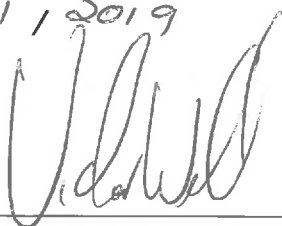
Dated at Nambour, this 12/11/2019

Signed in accordance with a resolution of the management committee:



Sally Desch (President)

Date 12/11/2019



Victor Woll (Treasurer)

Date 12/11/2019

