

Middle Harbour Public School Parents
& Citizens Association Inc.
Financial Report for the year ended 31 December 2020

The registered office of the association is:
Middle Harbour Public School Parents and Citizens Association Inc.
8 Hale Road MOSMAN NSW 2088
ABN:95117724749

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

Committee report

Principal activities

The Middle Harbour Public School Parents & Citizens Association Inc. (the 'Association') is a group of volunteer parents, carers and community members who work together to support the school. Its principal activities are to raise funds for the school, organise extra-curricular activities for our students (Band, Strings, Sports) and oversee school amenities (Canteen, Grounds, Kids Cottage, Sustainable Schools, Uniform Shop).

No significant change in the nature of these activities occurred during the year ended 31 December 2020.

Review of Operation

The operating deficit for the year ended 31 December 2020 was \$7,763 (2019 - \$38,839). Due to the restrictions with Covid-19 we unfortunately were not able to hold a major fundraising event or other smaller fundraising events like Mothers day stall, Fathers day stall and the school disco. Despite a challenging year we were able to raise \$3.5k for student designed picture plates and \$700 for the kindy mascots. The operations of the Association in the year were consistent with the objects set out under the Association's Constitution.

The Association has a strong Balance sheet with \$456,377 of net assets at 31 December 2020 (2019 - \$464,140) with the accumulated fundraising proceeds. The reduction in fundraising in 2020 due to Covid-19 has not prevented the Association to make donations to the school in 2020 or its ability to continue to do so in the future.

We would like to thank Laura Barry and Carole Jaye for leading the school through a challenging year with navigating the Covid-19 restrictions and establishing a period of remote learning. Your resilience throughout the period was remarkable and in particular ensuring the children could still participate in a school show.

Executive Committee members

The names of the executive committee members in office at any time during, or since the end of, the year ended 31 December 2020 are:

- | | |
|------------------------------------|--------------------------|
| - Sunitha Alexander (President) | |
| - Melinda White (Vice-President) | |
| - Jayne Robertson (Vice-President) | Resigned 27 October 2020 |
| - Catherine O'Sullivan (Treasurer) | |
| - Asma Nafa (Secretary) | Resigned 4 August 2020 |
| - Diana Ferguson (Secretary) | Appointed 4 August 2020 |

Executive committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

Committee report (continued)

Committee Meetings

During the financial year, 7 committee meetings were held. Attendances by each executive committee members during the year were as follows:

Position	Number eligible to attend	Number attended
Sunitha Alexander (President)	7	7
Melinda White (Vice-President)	7	6
Jayne Robertson (Vice-President)	7	3
Catherine O'Sullivan (Treasurer)	7	7
Asma Nafa (Secretary)	7	4
Diana Ferguson (Secretary)	7	3

After Balance Date Events

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the Association in future financial years.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Association.

Auditors' Independence Declaration

The auditor's independence declaration in accordance with the *Parents and Citizens Associations Incorporations Act 1976 (NSW)* for the year ended 31 December 2020 has been received and can be found on page 4 of the financial report.

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS AND CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

STATEMENT BY MEMBER OF THE COMMITTEE

In the opinion of the Committee the accompanying financial report, being special purpose financial Statements:

1. present a true and fair view of the financial position of Middle Harbour Public School Parents and Citizens Association Inc. as at 31 December 2020 and its performance for the year ended on that date; and
2. at the date of this statement, there are reasonable grounds to believe that Middle Harbour Public School Parents and Citizens Association Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

.....

.....

Sunitha Alexander
President

Catherine O'Sullivan
Treasurer

Dated 1st June 2021

Auditor’s independence declaration [to insert]

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Revenue	2	191,627	369,824
Cost of sales – inventory held for sale	3	(66,661)	(89,407)
Fundraising and function costs	3	(10,122)	(78,538)
Contractor costs	3	(55,287)	(66,832)
Donations	3	(39,594)	(134,570)
Employee Benefits Expense	3	(69)	(7,619)
Sundry expenses		(27,657)	(31,697)
Current year (deficit)/surplus before income tax		(7,763)	(38,839)
Income tax benefit/(expense)		-	-
Net current year (deficit)/surplus		(7,763)	(38,839)
Other comprehensive income for the year			
Total comprehensive (loss)/income for the year		(7,763)	(38,839)
Net current year (deficit)/surplus attributable to members of the entity		(7,763)	(38,839)
Total comprehensive (loss)/income attributable to members of the entity		(7,763)	(38,839)

The accompanying notes form part of these financial statements

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	379,210	404,428
Inventories on hand		81,167	96,822
TOTAL CURRENT ASSETS		460,377	501,250
TOTAL ASSETS		460,377	501,250
LIABILITIES			
CURRENT LIABILITIES			
Deferred income		4,000	34,000
Other creditors			3,110
TOTAL CURRENT LIABILITIES		4,000	37,110
TOTAL LIABILITIES		4,000	37,110
NET ASSETS		456,377	464,140
EQUITY			
Retained surplus		456,377	464,140
TOTAL EQUITY		456,377	464,140

The accompanying notes form part of these financial statements.

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Retained surplus \$	TOTAL \$
Balance at 1 January 2019		502,979	502,979
Comprehensive income			
Net deficit for the year		(38,839)	(38,839)
Comprehensive income attributable to members of the entity for the year		(38,839)	(38,839)
Balance at 31 December 2019		464,140	464,140
Net deficit for the year		(7,763)	(7,766)
Comprehensive loss attributable to members of the entity for the year		(7,763)	(7,766)
Balance at 31 December, 2020		456,377	456,374

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Sales of inventory		77,962	111,169
Proceeds from fundraising		15,606	129,271
Fees received		65,915	81,732
Donations received		217	214
Government Grant received		-	34,000
Rent received		1,536	2,000
Tax Benefit		38	4,946
Payments for fundraising activities, contractors and other		(186,845)	(433,132)
Interest (unrestricted) received		353	492
Net cash generated from/(used in) operating activities	4	(25,218)	(69,308)
Net increase /(decrease) in cash held		(25,218)	(69,308)
Cash and cash equivalents at beginning of financial year		404,428	473,736

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Retained surplus \$	TOTAL \$
Balance at 1 January 2019		502,979	502,979
Comprehensive income			
Net deficit for the year		(38,839)	(38,839)
Comprehensive income attributable to members of the entity for the year		(38,839)	(38,839)
Balance at 31 December 2019		<u>464,140</u>	<u>464,140</u>
Net deficit for the year		(7,763)	(7,766)
Comprehensive loss attributable to members of the entity for the year		<u>(7,763)</u>	<u>(7,766)</u>
Balance at 31 December, 2020		<u>456,377</u>	<u>456,374</u>

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Cash and cash equivalents at end of financial year	4	<u>379,210</u>	<u>404,428</u>

The accompanying notes form part of these financial statements.

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were authorised for issue on 1st June 2021 by the committee.

Basis of Preparation

Middle Harbour Public School Parents and Citizens Association Inc. applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* and other applicable Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements are special purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *requirements of the Parents and Citizens Incorporation Act 1976 (NSW)*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, have been prepared on a cash 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The entity is not subject to income tax.

b. Inventories on hand

Inventories held for sale are measured at the lower of cost and net realisable value.

c. Cash and Cash Equivalents

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

d. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised inclusive of the amount of GST

Cash flows are presented on a gross basis.

e. Other receivables

Other receivables are measured at fair value.

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f Revenue and other Income

Grant income

During the year ended 31 December 2020, the Association did not received any government grants.

During the year ended 31 December 2019, the Association received a government grant of \$30,000 for the purpose of upgrading the school's outside areas. This grant was disclosed as deferred income in the Statement of Financial Position as at 31 December 2019 on the basis that the economic benefits gained from the grant flowed to the Association in the subsequent 2020 reporting period. The income from the grant has been recognised in the 2020 reporting period in which the Association recognised the expenses for the related costs for which the grant is intended to compensate.

During the year ended 31 December 2019, the Association also received a government grant of \$4,000 for enhancing the garden spaces. This grant has been extended to 30 June 2021 and has been disclosed as deferred income in the Statement of Financial Position as at 31 December 2020 on the basis that the economic benefits gained from the grant flowed to the Association in the subsequent 2021 reporting period.

Other income

Donations are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method.

NOTE 2: REVENUE AND OTHER INCOME

	2020	2019
	\$	\$
Sales revenue:		
Sales of Inventories held	77,962	111,169
Grant income	30,000	40,000
Proceeds from fundraising	15,606	129,271
Fees received	65,915	81,732
	<hr/> 189,483	<hr/> 362,172
Other income:		
Donations received	217	214
Interest (unrestricted) received	353	492
Rent received	1,536	2,000
Other	38	4,946
	<hr/> 2,144	<hr/> 7,652
Total revenue	<hr/> 191,627	<hr/> 369,824

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 3: EXPENSES	2020	2019
	\$	\$
Expenses		
<i>Cost of sales:</i>		
Cost of sales of inventory	66,661	89,407
Fundraising and function costs	10,122	78,538
Contractor costs	55,287	66,832
Other expenses:		
Donations	39,594	134,570
Employee Benefits Expense	69	7,619

NOTE 4: CASH AND CASH EQUIVALENTS	Note	2020	2019
		\$	\$
Cash at bank – unrestricted		379,210	404,428
	5	<u>379,210</u>	<u>404,428</u>

Reconciliation of (net deficit) / surplus to net cash (outflow)/ inflow from operating activities

Net (net deficit) / surplus the year	(7,763)	(38,839)
<i>Change in operating assets and liabilities</i>		
(Increase) / Decrease in inventories	15,655	(24,579)
Decrease in other receivables	-	-
(Decrease) / increase in deferred income	(30,000)	(6,000)
Increase in other creditors	(3,110)	110
Net cash (outflow) / inflow from operating activities	<u>(25,218)</u>	<u>(69,308)</u>

MIDDLE HARBOUR PUBLIC SCHOOL PARENTS & CITIZENS ASSOCIATION INC.

Financial Report for the year ended 31 December 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 5: FINANCIAL RISK MANAGEMENT

	Note	2020	2019
		\$	\$
Financial assets			
Cash and cash equivalents	4	379,210	404,428
Total financial assets		<u>379,210</u>	<u>404,428</u>
Financial liabilities			
Deferred income		4,000	34,000
Other creditors		-	3,110
Total financial liabilities		<u>4,000</u>	<u>37,110</u>

NOTE 6: AFTER BALANCE DATE EVENTS

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the Association in future financial years.

NOTE 7: ASSOCIATION DETAILS

The registered office of the association is:

Middle Harbour Public School Parents and Citizens Association Inc.

8 Hale Road

MOSMAN NSW 2088

The principal place of business is:

Middle Harbour Public School Parents and Citizens Association Inc.

8 Hale Road

MOSMAN NSW 2088

Auditor's report [to insert]

