



**The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2009**

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**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>INCOME</b>			
Government and other grants	2	468,449	376,582
Fees from courses and activities		24,148	18,275
Interest		9,084	12,365
Other income	3	30,476	7,052
<b>TOTAL INCOME</b>		<b>532,157</b>	<b>414,274</b>
<b>EXPENDITURE</b>			
Employee benefits	4	259,191	257,536
Contractors	5	82,760	54,314
Advertising and promotion	5	25,988	6,827
Depreciation		8,442	6,598
Office costs		12,461	11,608
Printing and stationery		14,067	12,344
Programming costs		9,111	9,711
Project expenses	5	54,321	5,107
Rent		22,268	21,291
Other expenses	6	41,701	29,486
<b>TOTAL EXPENDITURE</b>		<b>530,310</b>	<b>414,822</b>
<b>NET SURPLUS / (DEFICIT)</b>		<b>1,847</b>	<b>(548)</b>

*This statement should be read in conjunction with the accompanying notes.*

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**BALANCE SHEET**

**AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	166,659	214,218
Receivables	8	5,376	489
Inventories		1,239	-
Prepayments		3,103	3,746
<b>Total current assets</b>		<b>176,377</b>	<b>218,453</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	48,191	24,587
<b>Total non-current assets</b>		<b>48,191</b>	<b>24,587</b>
<b>TOTAL ASSETS</b>		<b>224,568</b>	<b>243,040</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	10	46,209	49,902
Loans and borrowings	11	5,647	-
Provisions	12	21,001	29,328
Income received in advance	13	53,227	78,408
<b>Total current liabilities</b>		<b>126,084</b>	<b>157,638</b>
<b>Non-current liabilities</b>			
Loans and borrowings	11	6,357	-
Provisions	12	8,906	4,028
<b>Total non-current liabilities</b>		<b>15,263</b>	<b>4,028</b>
<b>TOTAL LIABILITIES</b>		<b>141,347</b>	<b>161,666</b>
<b>NET ASSETS</b>		<b>83,221</b>	<b>81,374</b>
<b>EQUITY</b>			
Reserves		52,326	46,487
Retained earnings		30,895	34,887
<b>TOTAL EQUITY</b>	14	<b>83,221</b>	<b>81,374</b>

*This statement should be read in conjunction with the accompanying notes.*

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	Retained earnings \$	Reserves \$	TOTAL \$
<b>BALANCE AT 1 JULY 2007</b>		37,617	44,305	81,922
Net surplus / (deficit) for the year		(548)		(548)
Amount transferred (to) from reserves		(2,182)	2,182	-
<b>BALANCE AT 30 JUNE 2008</b>		34,887	46,487	81,374
Net surplus / (deficit) for the year		1,847		1,847
Amount transferred (to) from reserves		(5,839)	5,839	-
<b>BALANCE AT 30 JUNE 2009</b>	14	30,895	52,326	83,221

*This statement should be read in conjunction with the accompanying notes.*

**The Centre: Connecting Community in North & West Melbourne Inc.**  
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**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Government and other grants		429,257	382,094
Other receipts		50,517	24,667
Employee benefits paid		(254,884)	(242,529)
Payments to suppliers		(270,300)	(136,256)
Interest received		9,084	12,365
Net GST received/(paid)		(1,975)	(356)
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	16	<b>(38,301)</b>	<b>39,985</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital grants		10,784	5,750
Purchase of property, plant and equipment		(32,046)	(8,780)
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>		<b>(21,262)</b>	<b>(3,030)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		12,004	-
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		<b>12,004</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(47,559)</b>	<b>36,955</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>214,218</b>	<b>177,263</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	7	<b>166,659</b>	<b>214,218</b>

*This statement should be read in conjunction with the accompanying notes.*

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**Note 1. Statement of significant accounting policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act (Victoria) 1981*.

The financial report covers The Centre: Connecting Community in North & West Melbourne Inc. ("The Centre") as an individual entity. The Centre is an association incorporated in Victoria under the *Associations Incorporation Act 1981*. The committee of management of The Centre has determined that the association is not a reporting entity.

**Basis of preparation**

This financial report has been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board as required for Victorian 'Prescribed Associations' (defined in the *Associations Incorporation Act 1981*).

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets and applicable financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

The following material accounting policies have been applied in preparing the financial statements for the year ended 30 June 2009 and the comparative information for the year ended 30 June 2008.

**(a) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and is measured at the fair value of the consideration received or receivable. Specific revenues are recognised as follows:

**Grants**

Grants are recognised as revenue when control of the underlying assets received or receivable has been obtained. Where there are conditions attached to grants relating to the specific use and timing of funds and which provide for economic value back to the grant contributor, grants are first recognised as a liability in the balance sheet (income received in advance) until such obligations are met, then recognised as revenue in the income statement as performance occurs and grants are expended in accordance with grant requirements. The Centre receives grants for operating and project purposes.

**Rendering of services**

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer, and where delivery is in progress, by reference to the percentage stage of completion of the transaction.

**Sale of goods**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

**Interest**

Interest revenue is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

All revenue is stated net of the amount of Goods and Services Tax (GST).

**(b) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and at-call deposits held with financial institutions.

**(c) Receivables**

Receivables are recognised and carried at the nominal amounts due for settlement less any impairment losses.

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**(d) Inventories**

Inventories include goods held for sale or distribution in the ordinary course of operations. Inventories are valued at the lower of cost or net realisable value. Cost is determined using the weighted average cost method. The amount of any write-down or loss of inventory is recognised as an expense in the period it is incurred.

**(e) Fixed assets**

Each class of fixed asset is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of physical assets is reviewed annually to ensure it is not materially in excess of the recoverable amount from these assets.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use.

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

<u>Class of fixed asset</u>	<u>Depreciation rate</u>
Office furniture and equipment:	
-- Furniture	5-10%
-- Office equipment excl. computers	10-25%
-- Computer equipment	25-40%
Motor Vehicles	13%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

**(f) Payables**

Payables represent liabilities in relation to goods and services provided to The Centre prior to the end of the financial year which are unpaid. Payables are stated at cost.

**(g) Loans and borrowings**

Loans and borrowings are initially measured at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowing costs are recognised in the income statement as they are incurred.

**(h) Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Superannuation Guarantee Contributions are made by the entity to employee-nominated superannuation funds and are charged as expenses when incurred.

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**(i) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the balance sheet.

Cash flows are presented in the cash flow statement on a gross basis, except for investing and financing activities, the GST component of which is disclosed as part of operating cash flow.

**(j) Income Tax**

The Centre is endorsed as an income tax exempt charity under Division 50 (Subdivision 50-B) of the Income Tax Assessment Act 1997.

**(k) Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(l) Rounding**

All amounts shown in the financial statements are rounded to the nearest dollar.

**Note 2. Government and other grants**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
City of Melbourne		
-- Operating grants	289,317	279,532
-- Project grants *	72,282	21,154
Department for Planning and Community Development (DPCD) **	84,112	73,216
Other grants	22,738	2,680
<b>Total government and other grants</b>	<b>468,449</b>	<b>376,582</b>

\* Includes funding for Spring Fling community festival (refer also note 5).

\*\* Includes Adult, Community and Further Education (ACFE) funding.

**Note 3. Other income**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Spring Fling Festival sponsorship and other revenue	16,488	-
North & West Melbourne News advertising and subscription revenue	4,200	3,981
Reimbursements	4,000	1,500
Fundraising and other income	5,788	1,571
<b>Total other income</b>	<b>30,476</b>	<b>7,052</b>

**The Centre: Connecting Community in North & West Melbourne Inc.**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**Note 4. Employee benefits**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Salaries and wages	228,370	221,969
Leave provisions	(3,449)	12,808
Superannuation *	31,437	19,557
Workcover	2,833	3,202
<b>Total employee benefits</b>	<b>259,191</b>	<b>257,536</b>

\* Includes superannuation guarantee charge (SGC) and salary sacrificed amounts.

**Note 5. Contractors, advertising and promotion and project expenses**

Contractors, advertising and promotion and project expenses increased significantly for the year ended 30 June 2009 versus the comparative year due to the delivery of the biennial Spring Fling community festival during the year.

**Note 6. Other expenses**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Audit fees	1,200	1,200
Communications	7,228	5,517
Computer and IT costs	4,981	3,244
Donations	696	-
Health and safety	2,070	-
Other staffing costs	3,188	4,716
Planning and policy development	7,000	4,110
Project administration charges	4,000	1,500
Subscriptions and memberships	1,056	1,199
Volunteer expenses	4,472	4,209
All other	5,810	3,791
<b>Total other expenses</b>	<b>41,701</b>	<b>29,486</b>

**Note 7. Cash and cash equivalents**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	809	2,006
Cash at bank	165,850	212,212
<b>Total cash and cash equivalents</b>	<b>166,659</b>	<b>214,218</b>

**The Centre: Connecting Community in North & West Melbourne Inc.**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**Note 8. Receivables**

	2009	2008
	\$	\$
Trade and sundry debtors	4,123	489
Goods and Services Tax (GST) recoverable	1,253	-
<b>Total receivables</b>	<b>5,376</b>	<b>489</b>

**Note 9. Property, plant and equipment**

	2009	2008
	\$	\$
Office furniture and equipment:		
At cost	83,794	66,755
Accumulated depreciation	(49,626)	(42,168)
Total office furniture and equipment	34,168	24,587
Motor vehicles:		
At cost	15,007	-
Accumulated depreciation	(984)	-
Total motor vehicles	14,023	-
<b>Total property, plant and equipment</b>	<b>48,191</b>	<b>24,587</b>

**Movements in carrying amounts**

Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Office equipment \$	Motor vehicles \$	Total \$
<b>Balance at 1 July 2007</b>	<b>22,405</b>	-	<b>22,405</b>
Additions	8,780	-	8,780
Disposals (at written down value)	-	-	-
Depreciation expense	(6,598)	-	(6,598)
<b>Balance at 30 June 2008</b>	<b>24,587</b>	-	<b>24,587</b>
Additions	17,039	15,007	32,046
Disposals (at written down value)	-	-	-
Depreciation expense	(7,458)	(984)	(8,442)
<b>Carrying amount at 30 June 2009</b>	<b>34,168</b>	<b>14,023</b>	<b>48,191</b>

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**Note 10. Payables**

	2009	2008
	\$	\$
Trade and sundry creditors	32,162	32,408
Accrued expenses	12,200	12,272
Goods and services tax payable	-	1,624
Pay-as-you-go withholding tax payable	1,847	3,598
<b>Total payables</b>	<b>46,209</b>	<b>49,902</b>

**Note 11. Loans and borrowings**

	Note	2009	2008
		\$	\$
<b>Current</b>			
Commercial loan	15	5,647	-
<b>Total current</b>		<b>5,647</b>	<b>-</b>
<b>Non-current</b>			
Commercial loan	15	6,357	-
<b>Total non-current</b>		<b>6,357</b>	<b>-</b>
<b>Total borrowings</b>		<b>12,004</b>	<b>-</b>

**Note 12. Provisions**

	2009	2008
	\$	\$
<b>Current</b>		
Employee benefits		
-- Annual leave	21,001	16,550
-- Long-service leave	-	12,778
<b>Total current</b>	<b>21,001</b>	<b>29,328</b>
<b>Non-current</b>		
Employee benefits		
-- Long-service leave	8,906	4,028
<b>Total non-current</b>	<b>8,906</b>	<b>4,028</b>
<b>Total provisions</b>	<b>29,907</b>	<b>33,356</b>
<b>Movements in long service leave:</b>		
Balance at beginning of year	16,806	11,326
Provisions made during year	4,878	5,480
Amounts used during year	(12,778)	-
<b>Balance at end of year</b>	<b>8,906</b>	<b>16,806</b>

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**Note 13. Income received in advance**

	2009	2008
	\$	\$
Project grants	50,000	72,282
Other grants	-	6,126
Fees in advance	3,227	-
<b>Total income received in advance</b>	<b>53,227</b>	<b>78,408</b>

**Note 14. Equity and reserves**

**Movements in equity**

Movement in balances for reserves and retained earnings:

	Fixed & other asset reserve	Community development reserve	Retained earnings	Total equity
	\$	\$	\$	\$
<b>Balance at 1 July 2007</b>	<b>22,405</b>	<b>21,900</b>	<b>37,617</b>	<b>81,922</b>
Increase / (decrease) for year	2,182	-	(2,730)	(548)
<b>Balance at 30 June 2008</b>	<b>24,587</b>	<b>21,900</b>	<b>34,887</b>	<b>81,374</b>
Increase / (decrease) for year	12,839	(7,000)	(3,992)	1,847
<b>Balance at 30 June 2009</b>	<b>37,426</b>	<b>14,900</b>	<b>30,895</b>	<b>83,221</b>

**Nature and purpose of reserves**

**Fixed and other asset reserve**

This reserve represents the portion of equity that is invested in fixed assets and inventories and therefore not available for other purposes. The level of the reserve equates to the net carrying amount of fixed assets and inventories held net of any borrowings applicable to them; movements in the reserve represent changes in the carrying amount of those fixed assets.

**Community development reserve**

This reserve consists of the entire net insurance proceeds on disposal of The Centre's former bus received in 2007 (\$21,900), which the committee of management determined be held aside for the specific purpose of supporting future community development programs. Part of this reserve was used during the year to fund the costs of a community consultation.

**Retained earnings**

This represents the level of unrestricted funds available for general use.

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**Note 15. Loan and leasing commitments**

	2009	2008
	\$	\$
<b>Loan commitments (i)</b>		
Payable		
-- Not later than 12 months	6,750	-
-- Later than 12 months and not later than 5 years	6,749	-
-- Later than 5 years	-	-
Minimum loan payments	13,499	-
Less estimated future finance charges (at current variable rate)	(1,495)	-
<b>Total loans and borrowings</b>	<b>12,004</b>	<b>-</b>

(i) Commercial bank loan for purchase of motor vehicle commencing June 2009, with 24-month contract length and variable interest rate charges. No debt covenants or other such arrangements are in place.

<b>Operating lease commitments (ii)</b>		
Payable – minimum lease payments		
-- Not later than 12 months	22,115	21,470
-- Later than 12 months and not later than 5 years	22,778	44,893
-- Later than 5 years	-	-
Minimum lease payments	44,893	66,363
<b>Total operating lease commitments</b>	<b>44,893</b>	<b>66,363</b>

(ii) Non-cancellable operating lease on property with a three-year term commencing July 2008 contracted for but not capitalised in the financial statements. No capital commitments exist in regards to the operating lease commitments at year-end. The lease commitment includes an annual increment based on the consumer price index (table assumes CPI increase of 3% per annum).

The Centre also has a 36-month operating lease on photocopy equipment which commenced in October 2008 and is contracted until September 2011. At balance date, the remaining lease commitment was \$6,201.

**The Centre: Connecting Community in North & West Melbourne Inc.**  
**ABN 21 236 030 938**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2009**

**Note 16. Cash flow information**

	2009	2008
	\$	\$
<b>Reconciliation of cash flow from operations with net surplus / (deficit)</b>		
Net surplus / (deficit)	1,847	(548)
Items in net surplus classified as investing activities		
Capital grants	(10,784)	(5,750)
Non-cash flows in net surplus / (deficit)		
Depreciation	8,442	6,598
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	(4,887)	852
(Increase)/decrease in inventories	(1,239)	-
(Increase)/decrease in prepayments	643	(1,322)
Increase/(decrease) in payables	(3,693)	(8,861)
Increase/(decrease) in provisions	(3,449)	12,808
Increase/(decrease) in income received in advance	(25,181)	36,208
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(38,301)</b>	<b>39,985</b>

**Note 17. Auditors' remuneration**

	2009	2008
	\$	\$
Remuneration of the auditor of the association for:		
-- Audit or review of the financial report	1,200	1,200
<b>Total auditors' remuneration</b>	<b>1,200</b>	<b>1,200</b>

**Note 18. Events after the balance sheet date**

The Centre's multi-year Funding and Services Agreement (FASA) with the City of Melbourne ceased on 30 June 2009. The Centre applied in April 2009 for renewed recurrent funding under the City of Melbourne's new Community Services Funding Application (CSFA) process.

On 1 July 2009, The City of Melbourne advised The Centre that it would, as a consequence of a change in municipal boundaries, reduce its core funding to The Centre by around \$200,000 or 70% within two years, with reductions effective immediately. Given The Centre's historical dependence on the City of Melbourne for operational funding, this reduction presents a major financial challenge of immediate and ongoing concern.

The Centre is evaluating its options going forward. It intends to protect its current service levels through seeking alternative funding to offset the reduced support from the City of Melbourne. Without offsetting income from alternative sources, The Centre is likely to require a significant restructure and downsizing of its operations. The financial effects of funding and any organisational changes will be reflected in the 2009-10 financial report.

**Note 19. Association details**

The registered office, and principal place of business, of the association is:

The Centre: Connecting Community in North & West Melbourne Inc.  
58 Errol Street  
North Melbourne VIC 3051

**The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938**

**STATEMENT BY MEMBERS OF THE COMMITTEE**


The committee of The Centre: Connecting Community in North & West Melbourne Inc. ('The Centre') 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 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 13:

1. Presents a true and fair view of the financial position of The Centre as at 30 June 2009 and its performance for the year ended on that date;
2. At the date of this statement, there are reasonable grounds to believe that The Centre will be able to pay its debts as and when they fall due.

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

Chair:

  
\_\_\_\_\_  
**Ann Wilkinson**

Treasurer:

  
\_\_\_\_\_  
**Sally-Anne Wilkinson**

Dated this 19 day of October 2009

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
The Centre: Connecting Community in North & West Melbourne Inc.**

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of The Centre: Connecting Community in North & West Melbourne Inc. which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

*Committee's Responsibility for the Financial Report*

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statement, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act 1981 (Vic) and are appropriate to meet the needs of the members. The committee's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conduct our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Act 1981 (Vic). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion:

The financial report of The Centre: Connecting Community in North & West Melbourne Inc. is in accordance with the Associations Incorporation Act 1981 (Vic) including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1981 (Vic).



Sean Denham

Dated: 19 October 2009

Sean Denham & Associates  
CPA's  
Suite 12, 13-25 Church Street  
Hawthorn VIC 3122

The Centre: Connecting Community in North & West Melbourne Inc.  
ABN 21 236 030 938

**CERTIFICATE BY MEMBERS OF THE COMMITTEE**

We certify that this annual financial report was submitted to the members of The Centre: Connecting Community in North & West Melbourne Inc. at its annual general meeting.

Chair:

  
\_\_\_\_\_  
Ann Wilkinson

Treasurer:

  
\_\_\_\_\_  
Sally-Anne Wilkinson

Dated this 22 day of OCTOBER 2009