

**HASTINGS MACLEAY COMMUNITY TRANSPORT
SERVICE INC**

ABN 92 593 392 689

COMBINED FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

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HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

COMMITTEE'S REPORT

Your committee members submit the financial report of Hastings Macleay Community Transport Service Inc for the financial year ended 30 June 2018.

Committee Members

The names of the committee members in office at anytime during or since the end of the year are:

Dianne Gander
Ian Skead
Bruce McKinnon
Stuart Jacka
Alan Watts
Annette Messenger (appointed 17 August 2018)
Phillip Smith (appointed 17 August 2018)
Shirley Kelly (resigned 11 July 2017)
Noel Campbell (resigned 26 October 2017)
John Faithfull (resigned 21 February 2018)

Principal Activities

The principal activities of the association during the financial year were:

the provision of community transport services in the Hastings Macleay area.

Significant Changes

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

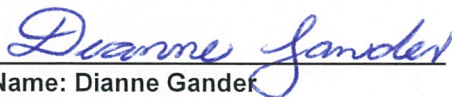
Operating Result

The profit after providing for income tax amounted to \$109,857.

Auditor's Independence Declaration


A copy of the auditors independence declaration as required under s60-40 of the Australian Charities and Not-for-profits Commission Act 2012 follows.

Signed in accordance with a resolution of the members of the committee:



Name: Dianne Gander

Title: Chairperson



Name: Bruce McKinnon

Title: Treasurer

DATE: 24 October, 2018


**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012**

**TO THE DIRECTORS OF
HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

- i. the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 (Cth) relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

McGregor & McGregor
Chartered Accountants
591 Hunter Street
NEWCASTLE, NSW, 2300



PARTNER: W.I. RINKIN

NEWCASTLE

DATE: 24 October, 2018

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue		<u>2,516,150.13</u>	<u>2,595,088.57</u>
Gross profit		2,516,150.13	2,595,088.57
Administration expenses		(164,101.75)	(275,492.91)
Employee expenses		(1,644,488.82)	(1,331,058.66)
Occupancy expenses		(27,179.79)	(136,444.11)
Operational expenses		<u>(570,523.26)</u>	<u>(707,476.86)</u>
Profit before income tax	2	109,856.51	144,616.03
Income tax expense		<u>-</u>	<u>-</u>
Profit for the year		<u><u>109,856.51</u></u>	<u><u>144,616.03</u></u>
Profit attributable to members of the entity		<u><u>109,856.51</u></u>	<u><u>144,616.03</u></u>

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Profit for the year		109,856.51	144,616.03
Other comprehensive income:		_____	_____
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		<u><u>109,856.51</u></u>	<u><u>144,616.03</u></u>
Total comprehensive income attributable to members of the entity		<u><u>109,856.51</u></u>	<u><u>144,616.03</u></u>

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	1,178,932.94	954,055.86
Accounts receivable and other debtors	4	59,660.53	56,668.88
Other current assets	5	51,199.75	-
TOTAL CURRENT ASSETS		<u>1,289,793.22</u>	<u>1,010,724.74</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	444,349.98	455,513.26
TOTAL NON-CURRENT ASSETS		<u>444,349.98</u>	<u>455,513.26</u>
TOTAL ASSETS		<u>1,734,143.20</u>	<u>1,466,238.00</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	7	217,965.51	140,655.94
Provisions	8	386,152.10	142,814.02
TOTAL CURRENT LIABILITIES		<u>604,117.61</u>	<u>283,469.96</u>
NON-CURRENT LIABILITIES			
Provisions	8	26,819.00	189,417.96
TOTAL NON-CURRENT LIABILITIES		<u>26,819.00</u>	<u>189,417.96</u>
TOTAL LIABILITIES		<u>630,936.61</u>	<u>472,887.92</u>
NET ASSETS		<u>1,103,206.59</u>	<u>993,350.08</u>
MEMBERS' FUNDS			
Reserves	9	527,725.00	575,200.00
Retained earnings		575,481.59	418,150.08
TOTAL MEMBERS' FUNDS		<u>1,103,206.59</u>	<u>993,350.08</u>

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings \$	Asset Replacement Reserve \$	Total \$
Balance at 1 July 2016	437,734.05	411,000.00	848,734.05
Comprehensive income			
Profit for the year	144,616.03	-	144,616.03
Total comprehensive income for the year attributable to members of the association	<u>144,616.03</u>	<u>-</u>	<u>144,616.03</u>
Other			
Vehicle Replacement Reserve	(164,200.00)	164,200.00	-
Total other	<u>(164,200.00)</u>	<u>164,200.00</u>	<u>-</u>
Balance at 30 June 2017	<u>418,150.08</u>	<u>575,200.00</u>	<u>993,350.08</u>
Balance at 1 July 2017	418,150.08	575,200.00	993,350.08
Comprehensive income			
Profit for the year	109,856.51	-	109,856.51
Total comprehensive income for the year attributable to members of the association	<u>109,856.51</u>	<u>-</u>	<u>109,856.51</u>
Other			
Vehicle Replacement Reserve	47,475.00	(47,475.00)	-
Total other	<u>47,475.00</u>	<u>(47,475.00)</u>	<u>-</u>
Balance at 30 June 2018	<u>575,481.59</u>	<u>527,725.00</u>	<u>1,103,206.59</u>

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers		2,745,860.48	2,809,047.55
Payments to suppliers and employees		(2,420,234.33)	(2,569,304.33)
Interest received		10,657.29	9,875.89
Net cash provided by operating activities	12	<u>336,283.44</u>	<u>249,619.11</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		26,727.00	26,545.00
Payment for property, plant and equipment		<u>(138,133.36)</u>	<u>(173,776.46)</u>
Net cash provided by (used in) investing activities		<u>(111,406.36)</u>	<u>(147,231.46)</u>
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		224,877.08	102,387.65
Cash on hand at beginning of financial year		<u>954,055.86</u>	<u>851,668.21</u>
Cash on hand at end of financial year	12	<u><u>1,178,932.94</u></u>	<u><u>954,055.86</u></u>

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Framework

The committee have prepared the financial statements on the basis that the association is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012, the Associations Incorporation Act 2009 New South Wales and the Funding Agreements. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2009 New South Wales and the significant accounting policies disclosed below, which the committee have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

Statement of Compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012, the Associations Incorporation Act 2009 New South Wales, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: Presentation of Financial Statements, AASB 107: Cash Flow Statements, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031: Materiality and AASB 1054: Australian Additional Disclosures.

Basis of Preparation

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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.

(a) Income Tax

The Association is a Public Benevolent Institution and has been granted an Income Tax Exemption by the Australian Taxation Office.

(b) Property, Plant and Equipment

All property, plant and equipment except for freehold land and buildings are initially measured at cost and are depreciated over their useful lives to the association.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated over the asset's useful life to the company commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) 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.

(d) 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.

(e) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the nominal amounts expected to be paid when the liability is settled, plus any related on-costs. Both annual leave and long service leave are recognised within the provisions liability.

(f) 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 using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(g) Cash on Hand

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

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

(h) Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss.

Donations and bequests are recognised as revenue when received.

Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

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

(i) 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.

Accounts payable and other payables are initially measured at their fair value and subsequently measured at amortised cost using the effective interest method.

(j) 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 statement of financial position.

(k) Comparative Figures

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

During the current year, income and expenses have been regrouped and reclassified due to the changes in the reporting and management accounting system of the association. As a result, prior years audited figures have been reclassified and regrouped to reflect these changes.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

(l) Hastings Macleay Community Visitors Scheme

The association also operates a separately funded service known as Hastings Macleay Community Visitors Scheme. The operations of Hastings Macleay Community Visitors Scheme have been combined into these financial statements for reporting purposes.

(m) Contingent Event

The standard terms and conditions of the Community Transport Service Contract with Transport for NSW provides that on termination or cessation of the contract that the entity must transfer all contract assets to the Transport for NSW, their nominee or the successor operator upon payment of \$10 consideration.

At the date of this report the directors have no reason to believe that the contract will terminate or cease prior to completion to enact this clause.

(n) Economic Dependency

The association is dependent on Transport for NSW for the majority of its revenue used to operate the business. At the date of this report Transport for NSW has extended the existing contract to 30 June 2020.

(o) Asset Replacement Reserve

This reserve is used to provide for anticipated future capital purchases of motor vehicles, buses and other capital expenditure for which no commitment has been entered into at balance date and therefore at that date no actual liability can be determined by the members of the management committee. The management committee will continue to provide funds out of the operating surplus each year to increase this reserve to cover expected future capital commitments.

During the year the committee decided that the reserve will now only provide for the anticipated future capital purchases of Transport for NSW contract assets.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
2. PROFIT FOR THE YEAR		
Expenses:		
Depreciation	129,106.00	123,990.00
3. CASH ON HAND		
Greater Building Society - Cheque	2,290.71	11,614.27
Greater Building Society - Asset Replacement	512,168.62	534,945.76
Greater Building Society - Employee Leave Provision	434,645.55	351,102.28
Greater Building Society - Visa	2,953.83	5,662.80
Greater Building Society - Investment	203,016.69	-
Community Visitor Scheme - Cheque	23,057.54	10,485.73
Community Visitor Scheme - Employee Leave Provision	-	39,445.02
Petty Cash Float	800.00	800.00
	<u>1,178,932.94</u>	<u>954,055.86</u>
4. ACCOUNTS RECEIVABLE AND OTHER DEBTORS		
CURRENT		
Debtors (Accounts Recievable)	58,227.53	56,668.88
Other debtors	1,433.00	-
	<u>59,660.53</u>	<u>56,668.88</u>
5. OTHER CURRENT ASSETS		
CURRENT		
Prepayments	51,199.75	-
6. PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment	43,688.27	43,688.27
Less accumulated depreciation	(39,266.00)	(36,957.00)
	<u>4,422.27</u>	<u>6,731.27</u>
Plant & equipment - Community Visitor Scheme	1,225.91	1,986.00
Less accumulated depreciation	(631.00)	(1,947.00)
	<u>594.91</u>	<u>39.00</u>
Motor vehicles	981,289.16	910,510.35
Less accumulated depreciation	(647,711.00)	(580,740.00)
	<u>333,578.16</u>	<u>329,770.35</u>
Office furniture and equipment	78,470.37	112,842.37
Less accumulated depreciation	(52,887.00)	(77,856.00)
	<u>25,583.37</u>	<u>34,986.37</u>

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Kempsey Office Fixtures & Fittings	7,736.55	7,736.55
Less accumulated depreciation	<u>(7,513.00)</u>	<u>(7,364.00)</u>
	<u>223.55</u>	<u>372.55</u>
Lord Street Fixtures & Fittings	113,847.72	113,847.72
Less accumulated depreciation	<u>(33,900.00)</u>	<u>(30,234.00)</u>
	<u>79,947.72</u>	<u>83,613.72</u>
Total property, plant and equipment	<u><u>444,349.98</u></u>	<u><u>455,513.26</u></u>
 7. ACCOUNTS PAYABLE AND OTHER PAYABLES		
CURRENT		
GST Payable	44,262.71	17,099.36
Creditors	105,002.69	66,357.01
Accrued expenses	29,028.64	13,054.66
Other Creditors	980.00	5,568.36
Funding Income Recieved in Advance	20,137.47	24,374.55
PAYG Withholding Payable	<u>18,554.00</u>	<u>14,202.00</u>
	<u><u>217,965.51</u></u>	<u><u>140,655.94</u></u>
 8. PROVISIONS		
CURRENT		
Provision for Employee Entitlements	<u>386,152.10</u>	<u>142,814.02</u>
 NON-CURRENT		
Employee entitlements	<u><u>26,819.00</u></u>	<u><u>189,417.96</u></u>
 9. ADEQUACY OF RESERVES		
Cash Assets	946,814.17	925,493.06
Less Reserves required for:		
Provision for Employee Entitlements	(412,971.10)	(332,231.98)
Vehicle Replacement Reserve	<u>(527,725.00)</u>	<u>(575,200.00)</u>
Uncommitted Cash	<u><u>6,118.07</u></u>	<u><u>18,061.08</u></u>
 10. EVENTS AFTER THE REPORTING PERIOD		
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial		

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
11. ECONOMIC DEPENDENCE		
The association is dependent on Transport for NSW for the majority of its revenue used to operate the business. At the date of this report Transport for NSW has extended the existing contract to 30 June 2020.		
12. CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash on hand at the end of financial year as included in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash	800.00	800.00
Cash at Bank	1,178,132.94	953,255.86
	<u>1,178,932.94</u>	<u>954,055.86</u>
(b) Reconciliation of cash flow from operating activities with net current year profit		
Current year profit after income tax	109,856.51	144,616.03
Cash flows excluded from current year profit:		
Depreciation	129,106.00	123,990.00
Employee entitlements	80,739.12	11,125.71
(Profit) / loss on disposal of assets	(6,536.36)	(17,495.46)
Changes in assets and liabilities:		
Decrease / (increase) in receivables	(2,991.65)	(15,441.39)
Decrease / (increase) in other assets	(51,199.75)	2,599.00
Increase / (decrease) in payables	77,309.57	225.22
Net cash provided by operating activities	<u>336,283.44</u>	<u>249,619.11</u>

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

STATEMENT BY MEMBERS OF THE COMMITTEE

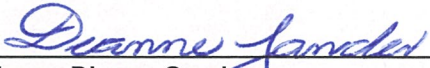
The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In accordance with a resolution of the committee of Hastings Macleay Community Transport Service Inc, the members of the committee declare that the financial statements as set out on pages 4 to 15:

1. present a true and fair view of the financial position of Hastings Macleay Community Transport Service Inc as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2009 New South Wales; and
2. at the date of this statement there are reasonable grounds to believe that Hastings Macleay Community Transport Service Inc will be able to pay its debts as and when they fall due.
3. signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

This statement is signed for and on behalf of the committee by:

Committee Member


Name: Dianne Gander

Committee Member


Name: Bruce McKinnon

DATE: 24 October, 2018

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Hastings Macleay Community Transport Service Inc (the association), as set out on pages 4 to 16.

In our opinion, the accompanying financial report of Hastings Macleay Community Transport Service Inc has been prepared in accordance with Div 60 of the Australian Charities and Not-for-profits Commission Act 2012(ACNC Act), the Associations Incorporation Act 2009 New South Wales and the Funding Agreements including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 , Div 60 of the Australian Charities and Not-for-profits Commission Regulation 2013, the Associations Incorporation Act 2009 New South Wales and the Funding Agreements .

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 association in accordance with the Associations Incorporation Act 2009 New South Wales, the Australian Charities and Not-for-profits Commission Act 2012, 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 report, which describes the basis of accounting. The financial report has been prepared to assist Hastings Macleay Community Transport Service Inc to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2009 New South Wales. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee of Hastings Macleay Community Transport Service Inc is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2009 New South Wales and the funding agreements and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free of material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association'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 committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC

Auditor's Responsibility 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McGregor & McGregor
Chartered Accountants
591 Hunter Street
NEWCASTLE, NSW, 2300



PARTNER: W.I. RINKIN

NEWCASTLE

DATE: 24 October, 2018

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

COMPILATION REPORT

TO HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC

We have compiled the accompanying special purpose financial statements for the year ended 30 June 2018 of Hastings Macleay Community Transport Service Inc, as set out on pages 21 to 23. The specific purpose for which the special purpose financial statements have been prepared to include in the annual financial statements for members.

The Responsibility of the Committee

The committee of Hastings Macleay Community Transport Service Inc is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet its needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the committee, we have compiled the accompanying special purpose financial statements on an accruals basis and in accordance with APES 315: Compilation of Financial Information.


We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis as above. We have complied with the relevant ethical requirements of APES 110: Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

McGregor & McGregor
Chartered Accountants
591 Hunter Street
NEWCASTLE, NSW, 2300



PARTNER: W.I. RINKIN

NEWCASTLE

DATE: 24 October, 2018

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
INCOME		
Funding & Grants:		
Recurrent funding	1,687,451.77	1,770,849.59
Non Recurrent funding	148,387.75	3,012.90
Planning and Transitioning	2,950.00	3,000.90
SACS ERO	54,357.86	-
Transition Assistance Program	-	95,000.00
Working Together in Macleay TARP	10,515.68	-
Grant income - Community Visitor Scheme	121,725.36	120,163.21
Passengers and Groups:		
Passengers and Groups income	215,739.66	238,685.47
Other	11,592.76	-
Brokerage:		
DVA	43,059.28	38,770.16
The Good Works Foundation	3,721.40	3,721.65
Health	56,023.10	11,252.91
Insurance	5,623.19	6,858.91
Legacy/RSL	5,095.00	3,646.00
Medicare Local	1,298.00	88,233.37
NDIS	537.80	-
Other Brokerage	2,852.76	11,521.82
Other HACC	15,255.29	-
Administration:		
Admin services	84,229.22	45,300.88
Bank interest	10,657.29	9,875.89
Donations	659.92	560.50
Employee Fringe Benefit Contribution	4,920.00	5,600.00
Fuel Rebates	6,320.00	10,500.00
Insurance Recovery	-	188.95
Membership Subscriptions	30.00	-
Profit on Sale of Assets	6,536.36	17,495.46
Rental income	9,690.45	11,620.00
Sundry Income	5,924.55	99,230.00
Vehicle Hire	995.68	-
	2,516,150.13	2,595,088.57

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
LESS EXPENDITURE		
Employee Expenses (including oncosts):		
Salaries/Wages	1,129,283.20	886,847.22
Workers' Compensation Insurance Premiums	21.55	3,912.00
Employer Contribution to Superannuation	101,752.31	83,061.06
Provision for Employee Entitlements	61,142.21	6,704.00
Employee Expenses (including oncosts)	4,203.81	-
Brokerage:		
Bus Hire Expenses	1,730.64	1,187.27
Taxi Hire Expenses	23,529.43	52,726.05
Passenger Service Levy	962.73	-
Fuel Cards/Vouchers	22,838.00	22,110.11
Other brokerage	8,161.40	9,709.02
Volunteers:		
Carer Resources	-	977.53
Travel	10,514.87	8,707.93
Volunteer Costs (excluding vehicle use)	118,443.00	90,186.69
Volunteer Costs for vehicle use	17,203.53	32,287.47
Motor Vehicle Running Costs :		
Fuel	88,571.63	143,787.79
Repair/Maintenance	37,692.25	40,832.92
Insurance	25,630.99	18,590.12
Registration	19,352.89	18,527.11
Depreciation	113,552.00	123,925.00
Tyres	8,535.88	7,912.98
Roadside	2,737.25	3,585.25
Other	144.27	15,174.00
Other Direct Costs:		
Bad Debt expense	-	181.39
Communication & IT services	61,446.38	65,007.23
Subsidies for Low Income Clients and Groups	-	36,649.00
Vehicle & Driver Equip & WHS	9,476.12	15,412.00
Employee Expenses (including oncosts):		
Salaries/Wages	291,762.14	302,670.28
Workers' Compensation Insurance Premiums	-	18,303.22
Employer Contribution to Superannuation	30,658.57	24,967.71
Provision for Employee Entitlements	19,596.91	4,422.71
FBT expense	3,969.62	-
Uniforms & Equipment	2,098.50	170.46
Other Indirect costs:		
Accounting	6,545.02	23,941.14
Audit	13,200.00	16,885.00
Bank Charges	135.52	0.11
Conferences / Forums	14,888.74	35,680.79
Consultancies	3,962.68	270.00
Depreciation - other	15,554.00	65.00
Lodgement / Legal Fees	956.70	2,214.00
Management Fees	17,097.47	19,145.75
Non vehicle insurance	6,047.07	6,170.19

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
OH & S	1,450.21	1,197.37
Planning & Transitioning	20,635.03	116,052.78
Printing / Postage / Stationary	27,962.91	32,801.64
Professional fees	275.00	-
Promotion and Advertising Costs	9,022.03	1,681.66
Staff Amenities	16,822.50	15,213.17
Subscriptions & Memberships	1,668.50	3,280.59
Volunteer costs	4,326.68	893.72
Other Indirect costs	3,551.69	-
Premises and Accomodation:		
Office Cleaning	1,074.10	-
Office R&M	8,888.46	3,292.80
Office Rent	5,551.52	120,141.71
Premises Other	-	2,804.00
Utilities	9,483.89	7,805.60
Vehicle Parking Rent	2,181.82	2,400.00
	<u>2,406,293.62</u>	<u>2,450,472.54</u>
	<u>109,856.51</u>	<u>144,616.03</u>
SURPLUS/(DEFICIT) BEFORE APPROPRIATION	<u>109,856.51</u>	<u>144,616.03</u>
Retained Profits at the beginning of the financial year	<u>418,150.08</u>	<u>437,734.05</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>528,006.59</u>	<u>582,350.08</u>
Aggregate of amounts transferred to (from) reserves	<u>(47,475.00)</u>	<u>164,200.00</u>
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	<u><u>575,481.59</u></u>	<u><u>418,150.08</u></u>

The accompanying notes form part of these financial statements.

HASTINGS MACLEAY COMMUNITY TRANSPORT SERVICE INC
ABN 92 593 392 689

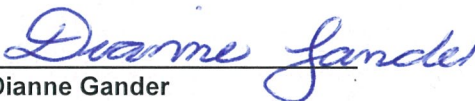
CERTIFICATE BY MEMBER OF THE COMMITTEE

I, Dianne Gander of 26 Lord Street Port Macquarie NSW 2444, certify that:

- a. I attended the annual general meeting of the association held on 24th October, 2018.
- b. The financial statements for the year ended 30 June, 2018 were submitted to the members of the association at its annual general meeting.

Dated: 24 October, 2018

Committee Member


Name: Dianne Gander