

**ROSS HOUSE ASSOCIATION - INCORPORATED**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30TH JUNE 2020**

**ROSS HOUSE ASSOCIATION - INCORPORATED**  
**BALANCE SHEET**  
**AS AT 30TH JUNE 2020**

	<u>NOTE</u>	<u>2020</u>	<u>2019</u>
<b><u>ASSETS</u></b>			
<b><u>Current Assets</u></b>			
Cash at Bank & On Hand		910,798	814,297
Trade Debtors		(704)	25,230
Less Provision for Doubtful Debts		5,000	5,000
		<u>(5,704)</u>	<u>20,230</u>
Sundry Debtors		176	176
Prepayments		-	-
Adjustment		31	31
		<u>905,301</u>	<u>834,734</u>
<b><u>Non-current Assets</u></b>			
Land	1 (f)	15,840,000	15,840,000
Buildings	1 (f)	2,950,000	2,950,000
Less accumulated amortisation		(516,250)	(442,500)
Furniture & Equipment		267,725	238,159
Less accumulated depreciation	1 (b)	(187,054)	(171,619)
Capital Work		291,905	282,953
Less accumulated depreciation	1 (b)	(218,972)	(193,150)
Electronic Equipment		162,073	137,751
Less accumulated depreciation	1 (b)	(100,143)	(68,106)
Main Lift		169,611	-
Less accumulated depreciation	1 (b)	(1,413)	-
Ground Floor Toilet		121,725	121,725
Less accumulated depreciation	1 (b)	(18,844)	(1,450)
HVAC VSD		56,700	54,200
Less accumulated depreciation	1 (b)	(3,954)	(1,129)
HVAC		801,516	801,516
Less accumulated depreciation	1 (b)	(262,449)	(222,373)
Website		71,954	71,954
Less accumulated depreciation	1 (b)	(51,408)	(27,663)
		<u>19,372,722</u>	<u>19,370,268</u>
<b><u>TOTAL ASSETS</u></b>		<u>20,278,023</u>	<u>20,205,002</u>
<b><u>LIABILITIES</u></b>			
<b><u>Current Liabilities</u></b>			
Trade Creditors & Accruals		25,429	58,462
Income in Advance		14,859	14,001
Grant in Advance		-	20,000
Rent in Advance		-	261
Staff Leave Provisions	1 (c)	74,563	73,047
Superannuation Provision		9,185	8,963
		<u>124,036</u>	<u>174,734</u>
<b><u>Non- Current Liabilities</u></b>			
Right of Indemnity-Ross House Trust	1 (f)	18,273,750	18,347,500
Staff Leave Provisions - L.S.L.		22,132	21,305
		<u>18,295,882</u>	<u>18,368,805</u>
<b><u>TOTAL LIABILITIES</u></b>		<u>18,419,918</u>	<u>18,543,539</u>
<b><u>NET ASSETS</u></b>		<u>1,858,105</u>	<u>1,661,463</u>
<b><u>EQUITY</u></b>			
Emergency Reserve		400,000	400,000
Retained Earnings		1,458,105	1,261,463
		<u>1,858,105</u>	<u>1,661,463</u>

**ROSS HOUSE ASSOCIATION - INCORPORATED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

<b><u>INCOME</u></b>	<b><u>NOTE</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
Lease Income		781,013	769,129
Car Park	1 (d)	40,661	52,048
Facilities Hire	1 (d)	263,310	277,868
Equipment Hire		26,643	27,396
Sales-Equipment Keys & Stationery		2,365	1,795
Interest Received		6,336	10,893
Insurance & Other Reimbursements		401	408
Membership Subscription		6,970	7,650
Other Income		573	785
Refund-Meeting Room Bookings		(28,044)	(12,156)
Donations & Donations in Kind		-	1,000
Grants Received			
-Ground Floor Toilet Upgrade		-	30,000
-HVAC-VSD		1,250	25,000
-Equal Access-Community Grants 2019		40,000	
Reimbursements		-	1,616
Cash Flow Boost		37,348	-
Job Keeper Wage Subsidy		30,000	-
<b>TOTAL INCOME</b>		<b><u>1,208,826</u></b>	<b><u>1,193,432</u></b>
<b><u>LESS EXPENDITURE</u></b>			
<b><u>Operating Expenses</u></b>			
Salaries & Wages		398,165	390,255
Superannuation		36,855	38,186
Workcover Premiums		2,663	2,320
Provision for Staff Leave		2,344	17,247
Staff Selection		130	226
Staff Training		-	2,380
		<b><u>440,157</u></b>	<b><u>450,614</u></b>
<b><u>Property and Equipment Costs</u></b>			
<b><u>Building Expenses</u></b>			
Air Conditioning		18,454	25,461
Signage		1,520	1,234
Building Maintenance	1 (e)	50,789	60,518
Green Ross House		-	1,000
Building Insurance		39,386	36,960
Doors		7,023	4,611
Lifts		6,323	21,165
Fire Prevention Service		34,137	35,461
Pest Control		2,997	2,896
Security		7,444	5,610
Locksmiths & Keys		3,745	5,218

**ROSS HOUSE ASSOCIATION - INCORPORATED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

	<b><u>NOTE</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>Property and Equipment Costs (Cont'd)</b>			
Utilities & Services		56,672	88,556
Cleaning		66,816	74,716
		<u>295,306</u>	<u>363,406</u>
<i>Other property &amp; Equipment</i>			
Furniture & Equipment Expenses		2,295	2,165
Depreciation	<b>1 (b)</b>	158,749	145,490
Photocopy Expenses		6,557	7,290
Tenant Insurance Reimbursement		1,575	3,783
Tenant Project		1,296	-
Rates & Land Tax		15,826	5,835
Congestion levy		11,520	11,280
		<u>197,818</u>	<u>175,843</u>
<i>Total Property &amp; Equipment Costs</i>		<u>493,124</u>	<u>539,249</u>
<b>Operating Costs</b>			
Annual report & AGM		4,929	4,390
Amenities		154	371
Advertising and Promotion		-	2,755
Audit fees		2,570	1,950
Bad Debts Expenses		-	-
Bank Charges		98	217
Bookkeeping & Accounting fees		735	680
Computer & Software Support		29,596	20,584
Consultants fees		548	22,400
Contingencies		2,027	-
Discounts		33	-
Events		3,367	4,859
Legal fees		5,014	6,922
Telephone & Internet		11,704	12,758
Printing & Design		1,197	846
RHA Admin Support & COM Exp		1,176	1,319
Stationery & Office Supplies		2,905	5,799
Strategic Plan Implementation		1,500	-
Sub. Membership & Library		1,386	1,547
Sundry Expenses		3,217	4,491
Website		6,747	2,090
		<u>78,903</u>	<u>93,978</u>
<b>TOTAL EXPENDITURE</b>		<u>1,012,184</u>	<u>1,083,841</u>
<b>PROFIT(LOSS) FOR THE YEAR</b>		<u>196,642</u>	<u>109,591</u>

**ROSS HOUSE ASSOCIATION - INCORPORATED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

		<u>2020</u>	<u>2019</u>
Balance as at 1 July 2019		1,261,463	1,152,156
Depreciation Written Back from Prior Years	1 (g)	-	-
Profit(loss) attributable to members		196,642	109,591
Prior Year Adjustment		-	(284)
<u>Balance as at 30 June 2020</u>		<u>1,458,105</u>	<u>1,261,463</u>



## **ROSS HOUSE ASSOCIATION - INCORPORATED**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 30TH JUNE 2020**

#### **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 Reform Act 2012 and Australian Charities and Not-for-profits Commission Act 2012.

The committee has determined that the association is not a reporting entity.

This financial report has been prepared in accordance with the requirements of the Associations Incorporation Reform Act 2012 and the following Australian Accounting Standards:

AASB101	Presentation of Financial Statements
AASB 112	Income Taxes
AASB 119	Employee Benefits
AASB 110	Events after the Balance Sheet Date
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 136	Impairment of Assets
AASB 137	Provisions, Contingent Liabilities and Contingent Assets

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by Ross House Association - Incorporated in the preparation of the financial report. These accounting policies have been consistently applied, unless otherwise stated.

#### **(a) Income Tax**

No income tax is payable as all income is mutually exclusive.

#### **(b) Property, Plant and Equipment**

Each Class of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the association.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Capital Work	14.29% P.C.
Electronic Equipment	25% P.C.
Furniture & Fittings	14.29% P.C.
HVAC	5% P.C.
Building	2.5% P.C.

# **ROSS HOUSE ASSOCIATION - INCORPORATED**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 30TH JUNE 2020**

### **(b) Property, Plant and Equipment (Continued)**

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

	<u>2020</u>	<u>2019</u>
Depreciation	158,746	145,490

### **(c) Employee Benefits**

Provision is made for the association's liability for employee entitlements arising from services rendered by employees to balance date.

<u>Staff Leave Provision:</u>	<u>2020</u>	<u>2019</u>
Annual Leave	50,349	48,832
Paid Parental Leave	24,215	24,215
	<u>74,564</u>	<u>73,047</u>

### **(d) Car Park and Facilities Hire**

The City of Melbourne secured a leasing agreement with Ross House Association to locate a recycling facility in the buildings' car-park ('the site'). Therefore, there is increase of utilities fees received from City of Melbourne to rent space in the car park and resulted lower in car park fees because of reduced number of parking spaces available.

### **(e) Building Maintenance**

	<u>2020</u>	<u>2019</u>
Minor Maintenance	20,962	28,345
Eastern Façade Project	-	-
Heritage Façade Project	-	-
Electricity Repairs	8,272	8,323
Painting	19,115	19,732
Plumbing	2,440	4,118
	<u>50,789</u>	<u>60,518</u>

### **(f) Ross House Trust -Land and Buildings**

Ross House Association is the Trustee of the Ross House Trust. Subject to the Ross House Trust deed dated 21st December 2010 the Building at 247-251 Flinders Lane Melbourne is owned by the Ross House Trust. Ross House Association Inc. as Trustee of the Ross House Trust Manages and maintains the Building in accordance with the terms of the Ross House Trust Deed including the management and maintenance expense as required and levies rent and other charges as required to fulfil the terms of the Deed. The income collected and expenses incurred fulfil the terms of the Trust and rules of the

Association as required by law. Subject to AASB 108 and the principles therein have been applied and the decision of the Board of Management is to show the Building as an asset and a liability of the Association in accordance as being held in Trust for the Ross House Trust and the Ross House Trust Association Inc. as the Trustee

As a further requirement and applying the principles of AASB 108 it was necessary to re-state the prior year comparatives to reflect this change.

A separate set of Financial Statements are attached for the Ross House Trust.

**(g) Depreciation Written Back from Prior Years**

Subject to AASB 108 adjustment has been made to record the write-back of prior years depreciation that is now recorded as an expense of the Ross House Trust



**ROSS HOUSE ASSOCIATION - INCORPORATED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from customers & other receipts	1,209,021	1,169,949
Payments to suppliers and employees	(883,905)	(922,320)
Interest, Donations & Memberships received	6,336	10,893
Net cash provided by (used in) operating activities (Note 2)	331,452	258,522
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from (payment for) property, plant and equipment	(234,951)	(230,412)
Net cash provided by (used in) investing activities	(234,951)	(230,412)
Net increase (decrease) in cash held	96,501	28,110
Cash at beginning of year	814,297	786,187
Cash at end of reporting period (Note 1)	910,798	814,297

**NOTES TO THE STATEMENT OF CASH FLOWS**

**NOTE 1. RECONCILIATION OF CASH**

For the purposes of the statement of the cash flows, cash included cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts

(a) Reconciliation of Cash

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the Balance Sheet as follows:

Cash on Hand	10	10
Cash at Bank	910,788	814,287
	910,798	814,297
	=====	=====

**NOTE 2. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT**

Operating result	196,642	109,591
Depreciation of Non-current Assets	158,749	145,490
Changes in Net Assets and Liabilities:		
(Increase)/decrease in Security Deposit	-	-
(Increase)/decrease in debtors	25,934	(11,965)
(Increase)/decrease in prepaid expenses	-	5,375
Increase/(decrease) in creditors	(32,812)	(7,944)
Increase/(decrease) in provisions	2,342	18,884
Increase/(decrease) in income in advance	(19,403)	(625)
Prior Year Adjustment	-	(284)
	331,452	258,522
	=====	=====

## ROSS HOUSE ASSOCIATION - INCORPORATED

### COMMITTEE REPORT

The committee members submit the financial report of the Ross House Association - Incorporated for the financial year ended 30th June 2020.

#### **Committee Members**

The names of the committee members throughout the year and at the date of this report are:

Christine McAuslan  
Keith Bettles  
Scot Muirden  
Dr Heidi Nicholl  
Valerie Elliott  
Dabessa Gemelal  
Mohamed Nabe  
Cynthia Pilli  
Vanessa Petrie  
De Grebner  
Richard Caven  
Maggie Maguire OAM  
Nazzareno Marchionda (Appointed Staff Representative)  
Michael Griffiths (Ex-officio RHA General Manager)

#### **Principal Activities**

The principal activity of the association during the financial year was:  
To manage Ross House for small community organisations who are working towards a just and environmentally sustainable society.

#### **Significant Changes**

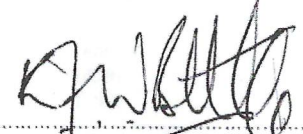
No significant change in the nature of these activities occurred during the year.

#### **Operating Result**

The net profit/(loss) for the year amounted to \$196,642 2019 \$109,591.

Signed in accordance with a resolution of the Committee to the Members

  
Christine McAuslan (Chairperson)

  
Keith Bettles (Treasurer)

Dated this 30<sup>th</sup> day of September, 2020