

**RURAL FIRE BRIGADES ASSOCIATION
QUEENSLAND INC**

ABN: 37 417 474 709

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2017

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

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RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

COMMITTEE'S REPORT

Your committee members submit the financial report of Rural Fire Brigades Association Queensland Inc for the financial year ended 30 June 2017.

Committee Members

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

Justin Choveaux
John Thomson
Jon Bundy
Nellie Baron
Graeme McWilliam
Ian Pike (appointed 25 August 2016)
Alan Gillespie (25 August 2016)

Principal Activities

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

to receive gifts from the public for the purpose of supporting Rural Fire Brigades in Queensland and to raise funds by the conduct of Art Unions.

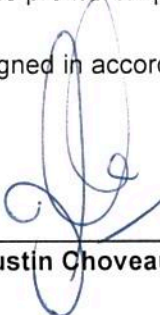
Significant Changes

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 \$283,619.

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



Justin Choveaux

Jon Bundy

Dated:26/09/2017

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Revenue		<u>3,088,068</u>	<u>3,341,215</u>
Gross profit		3,088,068	3,341,215
Distribution expenses		(85,197)	(91,437)
Marketing expenses		(74,548)	(90,154)
Occupancy expenses		(64,226)	(62,396)
Administration expenses		(3,305)	(2,903)
Finance costs		-	(198)
Other expenses		<u>(2,577,173)</u>	<u>(2,846,349)</u>
Profit before income tax	2	283,619	247,778
Income tax expense		<u>-</u>	<u>-</u>
Profit for the year		<u><u>283,619</u></u>	<u><u>247,778</u></u>
Profit attributable to members of the entity		<u><u>283,619</u></u>	<u><u>247,778</u></u>

The accompanying notes form part of these financial statements.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Profit for the year		283,619	247,778
Other comprehensive income:		<u> </u>	<u> </u>
Total other comprehensive income for the year		<u> </u>	<u> </u>
Total comprehensive income for the year		<u> 283,619 </u>	<u> 247,778 </u>
Total comprehensive income attributable to members of the entity		<u> 283,619 </u>	<u> 247,778 </u>

The accompanying notes form part of these financial statements.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	1,058,660	861,389
Accounts receivable and other debtors	4	40,590	24,246
Other current assets	5	31,171	16,884
TOTAL CURRENT ASSETS		<u>1,130,421</u>	<u>902,519</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	76,724	91,579
Intangible assets	7	73,420	35,720
TOTAL NON-CURRENT ASSETS		<u>150,144</u>	<u>127,299</u>
TOTAL ASSETS		<u><u>1,280,565</u></u>	<u><u>1,029,818</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	8	79,310	68,221
Borrowings	9	17,167	2,695
Provisions	10	133,925	97,096
Other	11	(20,412)	74,850
TOTAL CURRENT LIABILITIES		<u>209,990</u>	<u>242,862</u>
TOTAL LIABILITIES		<u>209,990</u>	<u>242,862</u>
NET ASSETS		<u><u>1,070,575</u></u>	<u><u>786,956</u></u>
MEMBERS' FUNDS			
Retained earnings		<u>1,070,575</u>	<u>786,956</u>
TOTAL MEMBERS' FUNDS		<u><u>1,070,575</u></u>	<u><u>786,956</u></u>

The accompanying notes form part of these financial statements.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Retained Earnings \$	Total \$
Balance at 1 July 2015	539,178	539,178
Comprehensive income		
Profit for the year	247,778	247,778
Total comprehensive income for the year attributable to members of the association	<u>247,778</u>	<u>247,778</u>
Balance at 30 June 2016	<u>786,956</u>	<u>786,956</u>
Balance at 1 July 2016	786,956	786,956
Comprehensive income		
Profit for the year	283,619	283,619
Total comprehensive income for the year attributable to members of the association	<u>283,619</u>	<u>283,619</u>
Balance at 30 June 2017	<u>1,070,575</u>	<u>1,070,575</u>

The accompanying notes form part of these financial statements.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC

ABN: 37 417 474 709

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

(a) Goodwill

Goodwill is initially measured at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition.

Goodwill is subsequently measured at cost less any impairment losses.

(b) Income Tax

The Association is a Charitable Institution from 4 December 2012. Fringe Benefits Tax (FBT) is payable from 1 April 2013 on any personal usage of cars rather than being FBT exempt up to the \$30,000 capping threshold per employee.

(c) Property, Plant and Equipment

Leasehold improvements, plant and office equipment are carried at cost less any accumulated depreciation.

Freehold land and buildings are carried at their recoverable amounts, based on periodic, but at least triennial, valuations by the directors.

Depreciation

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

(d) 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.

(e) 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.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

(f) 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.

(g) 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.

(h) 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.

(i) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Grant and donation income is recognised as revenue when the entity obtains control over the funds, which is generally at the time of receipt.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

(j) 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.

(k) 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.

(l) Comparative Figures

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

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
2. PROFIT FOR THE YEAR		
Expenses:		
Depreciation and amortisation expense	23,145	32,552
Net loss on disposal of non-current assets: Property, plant and equipment	-	91
	-	91
3. CASH ON HAND		
Petty Cash Imprest	326	280
	1,237	1,414
ANZ Townsville Account - 394452228	19,039	15,056
ANZ Art Union Odd Account - 109377987	79,184	16,506
ANZ General Account - 108670188	-	8,497
ANZ Business Premium Saver Account - 187481157	700,981	450,524
ANZ Art Union Even Account - 497232797	14,331	105,113
ANZ Public Fund Donations - 187793871	223,303	253,407
ANZ Merchandise Account - 438713013	20,259	10,592
	1,058,660	861,389
4. ACCOUNTS RECEIVABLE AND OTHER DEBTORS		
CURRENT		
Outstanding GST Refunds	35,398	21,090
	5,192	3,156
Goods & Services Tax	40,590	24,246
	40,590	24,246
5. OTHER CURRENT ASSETS		
CURRENT		
Rental Bonds	5,488	5,488
Prepaid Expenses	25,683	11,396
	31,171	16,884
6. PROPERTY, PLANT AND EQUIPMENT		
Leasehold Improvements	17,443	14,965
Less Accumulated Depreciation	(9,877)	(7,281)
Total land and buildings	7,566	7,684

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Plant & Equipment - at cost	209,192	203,381
Less Accumulated Depreciation	<u>(164,637)</u>	<u>(152,291)</u>
	<u>44,555</u>	<u>51,090</u>
Motor Vehicles	68,764	68,764
Less Accumulated Depreciation	<u>(44,161)</u>	<u>(35,959)</u>
	<u>24,603</u>	<u>32,805</u>
Total plant and equipment	<u>69,158</u>	<u>83,895</u>
Total property, plant and equipment	<u>76,724</u>	<u>91,579</u>
7. INTANGIBLE ASSETS		
Goodwill - at cost	<u>73,420</u>	<u>35,720</u>
8. ACCOUNTS PAYABLE AND OTHER PAYABLES		
CURRENT		
Sundry Creditors	22,396	13,587
Outstanding PAYG Withholding Liability	18,176	16,238
Superannuation Payable	<u>38,738</u>	<u>38,396</u>
	<u>79,310</u>	<u>68,221</u>
9. BORROWINGS		
CURRENT		
ANZ General Account - 108670188	11,313	-
ANZ Visa Card - 26910	<u>5,854</u>	<u>2,695</u>
	<u>17,167</u>	<u>2,695</u>
10. PROVISIONS		
CURRENT		
Provision for Annual Leave	44,059	35,026
Provision for Long Service Leave	<u>89,866</u>	<u>62,070</u>
	<u>133,925</u>	<u>97,096</u>
11. OTHER LIABILITIES		
CURRENT		
Accrued Expenses	<u>(20,412)</u>	<u>74,850</u>

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
12. LEASING COMMITMENTS		
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not recognised in the financial statements		
Payable:		
not later than 12 months	62,410	61,792
between 12 months and five years	15,603	77,241
	78,013	139,033
	78,013	139,033

The property lease for 101A & 101B Mary Street, Gympie is a non-cancellable lease with a three-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require that the minimum lease payments shall be increased by the Consumer Price Index per annum. 3 years option exists to renew the lease at the end of the expiry date of 30 September 2018. The lease allows for subletting of all leased areas.

13. CONTINGENT LIABILITIES

Contingent Liability

All liabilities which have arisen or which will arise out of the activities of the association to the end of the financial year have been included in the financial report. The prior year estimated multiple year back pay wages and superannuation due as at 30 June 2014 of \$15,428.28 had previously been discussed with Fair Work Australia. We had previously been advised of the extreme difficulty in making accurate calculations - especially in circumstances where staff are no longer employed by the Association, and worked for relatively short periods of time.

Given the difficulty in locating the past employees after repeated attempts, the provision amount has been written back at 30 June 2015. Should a former entitled employee contact the association, the amount will be paid as was previously calculated.

There were no contingent liabilities, including guarantees, at balance date which are not disclosed in the financial report or the notes thereto.

14. RELATED PARTY TRANSACTIONS

Related Parties

(a)

The President has been provided with a car, a laptop/tablet. A car log book has been provided nominating 100% business usage.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
15. COMMITMENTS		
There was no contractual commitment at 30 June 2017 for the purchase of Art Union prizes drawn after 30 June 2017 as this has been disclosed in sundry creditors.		
16. PUBLIC FUND		
The Association operates a Public Fund known as The Rural Fire Brigade Association Queensland Inc Public Fund. The purpose of the fund is to solicit and receive gifts from the public solely for the purpose of supporting the volunteer based emergency service activities of the Rural Fire Brigades in Queensland. The Association is required to maintain the Fund as a gift fund to receive and record income tax deductible gifts and contributions.		
Opening Balance 1 July 2016	253,747	
Deposits of gifts and charitable contributions	715,142	
	<u>968,889</u>	
Payments of various expenses including prizes	745,586	
	<u>223,303</u>	
Bank Statement Balance 30 June 2017	232,488	
Add Outstanding Deposits	-	
	<u>232,488</u>	
Less Outstanding Cheques	9,185	
Public Fund Balance held 30 June 2017	<u>223,303</u>	

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2017

15. (a) MOVEMENT IN CARRYING AMOUNTS

Movements in the carrying amounts for each class of property, plant and equipment.

	Leasehold Improvements \$	Plant & Equipment - at cost \$	Motor Vehicles \$	Total \$
Balance at 1 July 2015	7,577	69,710	43,781	121,068
Additions	2,360	794	-	3,154
Disposals	-	(91)	-	(91)
Depreciation expense	(2,253)	(19,323)	(10,976)	(32,552)
Carrying amount at 30 June 2016	7,684	51,090	32,805	91,579
Additions	2,478	5,812	-	8,290
Depreciation expense	(2,596)	(12,347)	(8,202)	(23,145)
Carrying amount at 30 June 2017	7,566	44,555	24,603	76,724

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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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 Rural Fire Brigades Association Queensland Inc, the members of the committee declare that the financial statements as set out on pages 3 to 12:

1. present a true and fair view of the financial position of Rural Fire Brigades Association Queensland Inc as at 30 June 2017 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 Associations Incorporation Act ; and
2. at the date of this statement there are reasonable grounds to believe that Rural Fire Brigades Association Queensland Inc will be able to pay its debts as and when they fall due.

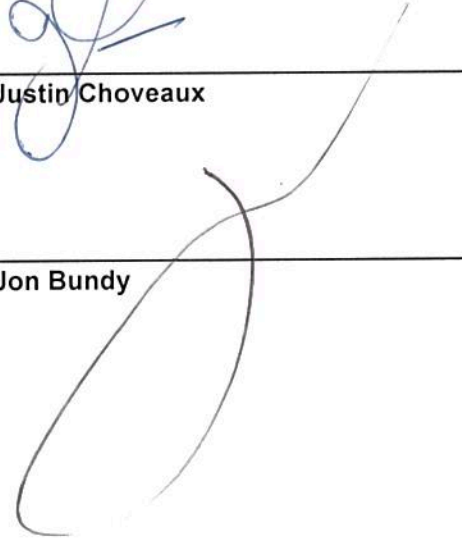
This statement is signed for and on behalf of the committee by:

President



Justin Choveaux

Treasurer



Jon Bundy

Dated:26/09/2017

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC

ABN: 37 417 474 709

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Rural Fire Brigades Association Queensland Inc (the association), which comprises the committee's report, statement of financial position as at 30 June 2017 and the statement of profit or loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of Rural Fire Brigades Association Queensland Inc presents fairly, in all material respects, the financial position of Rural Fire Brigades Association Queensland Inc as at 30 June 2017 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Act Queensland.

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 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 Rural Fire Brigades Association Queensland Inc to meet the requirements of the Associations Incorporation Act. 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 Rural Fire Brigades Association Queensland Inc is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Act Queensland 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.

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.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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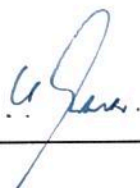
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC

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.

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.

Cosmo Ian Schuh
Chartered Accountant
58-62 Mary Street
Gympie, QLD, 4570



CI Schuh

Gympie

Dated:26/09/2017

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

CERTIFICATE BY MEMBER OF THE COMMITTEE

I, Jon Bundy of PO Box 992, ROMA QLD 4455 and I, Justin Choveaux of 115 Tamaree Road, Tamaree Qld 4570, certify that:

- a. I attended the annual general meeting of the association held on 13 - 15 October 2017.
- b. The financial statements for the year ended 2017 were submitted to the members of the association at its annual general meeting.

Dated:15/10/2017

Committee Member

Jon Bundy

Committee Member

Justin Choveaux