

Reaching Out Foundation Ltd

ABN 66 162 602 691

(A Company Limited by Guarantee)

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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Reaching Out Foundation Ltd

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DIRECTORS' REPORT

Your directors present this report on the Company for the year ended 31 December 2016.

Directors:

The name of each person who has been a director during the year and to the date of this report are:

Name	Occupation	Date of appointment	Date of resignation
Graeme Reginald Wykes	Company Director	10 December 2015	25 August 2016
Ross Francis Williams	Social Entrepreneur	15 March 2013	
Michael William Salkeld	Company Director	16 October 2013	
David Clifton Russell	Minister of Religion	2 August 2014	
Paul Raymond Brunton	Juvenile Justice Caseworker	2 August 2014	
Louise Maud	Company Director	29 January 2015	25 August 2016
Graham Victor Jensen	Company Director	20 February 2015	
Carolyn Jayne Scheetz	Company Director	29 January 2015	
Greg Alan O'Donnell	Environmental Health Coordinator	20 February 2015	
Danielle Sherren Collins	Company Director	13 October 2015	

Result:

The Company was incorporated on 27 February 2013. The net operating deficit of the Company for the year was \$6,728.76 (2015 – surplus of \$19,585.45).

Dividends:

Not applicable, as the company has no share capital.

Principal Activities:

The principal activity of the Company in the course of the financial year was to foster and support the establishment of community based Social Cafes to serve the needs of people who are vulnerable through isolation, sickness, disability, low income, unemployment, homelessness or misfortune.

Review of Operations:

The Company is continuing to support communities to consider, establish and operate Social Cafes and is raising funds for the provision of temporary accommodation for families fleeing domestic violence and youth in need.

Significant Changes in the State of Affairs:

In the opinion of directors, the results were not substantially affected by any item, transaction or event of a material or unusual nature, not disclosed in Principal Activities and the accompanying financial statements.

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Matters Subsequent to the End of the Financial Period:

In the opinion of the directors there is no matter or circumstance, other than those referred to in the financial report which has arisen since 31 December 2016, that has 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 the financial periods subsequent to 31 December 2016.

Directors' Benefits:

Since 31 December 2016, no director of the Company has received or has become entitled to receive, a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts, or the fixed salary of a full-time employee of the Company or a related corporation, by reason of a contract made by the Company or a related corporation with the director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest.

Meetings of Directors:

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director were:

DIRECTOR	ACTUAL ATTENDANCE	POSSIBLE ATTENDANCE
Graeme WYKES	-	2
Ross WILLIAMS	5	5
Michael SALKELD	5	5
David RUSSELL	5	5
Paul BRUNTON	-	5
Louise MAUD	3	3
Graham JENSEN	5	5
Greg O'DONNELL	1	5
Danielle COLLINS	4	5
Carolyn SCHEETZ	5	5

This report is made in accordance with a resolution of the directors.

Signed Ross Williams.....
Director

Signed Graham Jensen.....
Director

26 June 2017.....
Date

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STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016	2015
Revenue		\$	\$
Grant Funds	6	-	16,000.00
Donations		5,860.80	13,174.71
Refund of Development Application Fees		-	520.00
Bank Interest		69.62	119.92
Fundraising		7,997.60	-
Total Income		<u>13,928.02</u>	<u>29,814.63</u>
Expenses			
Bank Charges		61.70	72.00
Insurance		2,045.00	2,090.00
Printing and Stationery		34.00	184.80
Rent – Pearls Place		1,470.00	-
Expended Grant Funds	6	11,869.08	1,202.50
Fundraising Expenses		189.00	-
Donation – Monty’s Place		-	800.00
Donation – Twyford Hall Christmas		100.00	-
Donations – Pearls Place		4,535.84	5,718.96
Donation – Ricky’s Place		260.00	-
Snowy’s Catering		58.16	-
Website		-	128.92
Post Office Box		34.00	32.00
Total Expenses		<u>20,656.78</u>	<u>10,229.18</u>
Operating surplus/(deficit) before income tax	1(b)	<u>(6,728.76)</u>	<u>19,585.45</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

Equity at the beginning of year	\$22,828.48
Operating deficit for 2016	(6,728.76)
EQUITY AT THE END OF THE YEAR	----- \$16,099.72 =====

The accompanying notes form part of these financial statements.

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BALANCE SHEET AS AT 31 DECEMBER 2016

	Notes	2016	2015
CURRENT ASSETS			
Cash and cash equivalents	2	\$16,099.72	\$22,828.48
		-----	-----
Total Current Assets		16,099.72	22,828.48
		-----	-----
TOTAL ASSETS		16,099.72	22,828.48
		-----	-----
NET ASSETS		\$16,099.72	\$22,828.48
		=====	=====
MEMBERS' EQUITY			
Share capital	3	--	--
Retained surpluses		16,099.72	22,828.48
		-----	-----
Total Members' Equity		\$16,099.72	\$22,828.48
		=====	=====

The accompanying notes form part of these financial statements.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 31 DECEMBER 2016

1. Summary of Significant Accounting Policies

Background Information

The Company was incorporated on 27 February 2013 (# 162 602 691) under the Corporations Act 2001. It is registered with the Australian Business Register – Australian Business Number 66 162 602 691 and is not registered for Goods and Services tax purposes.

The registered office and principal place of business of the Company is 30 Ike Game Road, Kalaru, NSW, 2550.

The Company is registered as a Charity with the Australian Charities and Not-for-profits Commission (ACNC). Additionally, the Company is registered as a deductible gift recipient under section 30-B of the *Income Tax Assessment Act 1997 (Cth)*.

The Company satisfies the ACNC definition of a small charity and accordingly:

- can submit a financial report, but it is optional
- can choose whether to use cash or accrual accounting, and
- does not need to have financial statements reviewed or audited for ACNC purposes.

The financial statements were authorised for issue by the directors on 13 June 2017. The directors have the power to amend and reissue the financial statements. The directors have determined that:

- the financial information to be provided to ACNC will be limited to that required to be included in the Annual Report to ACNC;
- financial statements will be prepared on a cash basis; and
- financial statements are not required to be audited.

The financial report is presented in Australian dollars.

(a) **Donations**

Revenue from Donations is taken up when received.

(b) **Income Tax**

The Company is registered as an income tax exempt charitable entity under subdivision 50-B of the *Income Tax Assessment Act 1997 (Cth)*. Consequently, no provision for taxation has been made in the financial statements.

(c) **Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions.

2. Current Assets – Cash and Cash Equivalents

Business Premium Saver Account	\$16,099.72
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 31 DECEMBER 2016 (continued)

3. Company Structure and Share Capital

- (a) Reaching Out Foundation is a Company limited by guarantee and as such has no share capital.
- (b) As a Company limited by guarantee, every member of the Company undertakes to contribute an amount not exceeding \$100.00 on the event of the Company being wound up. Such contribution will only be required in the event that assets of the Company are insufficient to meet the payments of debts and liabilities of the Company at the time of winding up, including the costs, charges and expenses of the winding up. The amount will be payable by all existing members at the time of winding up and those members ceasing membership one period prior to that date.

4. Financial Risk Management

The entity's financial instruments consist mainly of deposits with the bank. The entity relies on this working capital as its source of funds.

5. Related Party Transactions

(a) **Directors:**

The names of persons who were directors of the Company at any time during the year are as follows:

Graham JENSEN	Louise MAUD	Ross WILLIAMS
Greg O'DONNELL	David RUSSELL	Carolyn SCHEETZ
Michael SALKELD	Graeme WYKES	Paul BRUNTON
	Danielle COLLINS	

(b) **Directors' Remuneration**

The directors did not receive any remuneration from the Company during the period other than reimbursement of out-of-pocket expenses that have been fully substantiated.

(c) **Transactions with directors and director related entities**

There were no transactions with directors, other than those at normal commercial terms and conditions, and other benefits approved by the members at the annual general meeting.

(d) **Other transactions with related parties:**

There were no other transactions with related parties.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 31 DECEMBER 2016 (continued)

6. Grants (non-government)

During 2015 the Reaching Out Foundation received grant funding of \$16,000 from non-government sources as follows:

- Southern Phone Grants Scheme - \$2,700 for structured training of volunteers working at Pearls Place
- Mumbulla Foundation - \$7,500 for specified equipment for Pearls Place kitchen
- Bega Valley Shire Clubs Grant - \$5,800 for support of Pearls Place as a social café to provide meals to low income, lonely, homeless and socially isolated members of the community.

As the majority of the grant funds were received in the latter part of 2015 only \$1202.50 of the Southern Phone Grant had been expended at year end. During the course of 2016 all of the Bega Valley Shire Clubs Grant was expended and as at 31 December 2016 the following grants were unexpended:

-Southern Phone Grant \$1210.42
-Mumbulla Foundation \$1718.00

The balance of the grants funding (\$2,928.42) is expected to be utilised during 2017 in accordance with Pearls Place requirements.

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DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2016 and of its financial performance for the year ended 31 December 2016.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Signed Ross Williams
Director

Signed Graham Jensen
Director

24 June 2017
Date