

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2020

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

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RAINBOW CLUB AUSTRALIA INCORPORATED

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COMMITTEE'S REPORT

Your committee members submit the financial report of Rainbow Club Australia Incorporated for the financial year ended 30 June 2020. In order to comply with the provisions of the *Australian Charities and Not-for profits Commissions Act 2012* (ACNC Act), the members report as follows:

Committee Members

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

Alexandra Finley
Philip Holt (Jan – Jun 2020)
Robert Lloyd
Dipen Dhruv
Mark McCormack
Robert McCotter
John Taplin
Ernie Cirignano
Steven Langan-Stark
Tracey Raso
Matt Levy (elected Oct 2019)
Alison Cox (July – Oct 2019)

Principal Activities

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

To provide swimming lessons for children with a disability in locations around NSW.

Significant Changes

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

Operating Result

The deficit after providing for income tax amounted to \$175,834.

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



Committee Member: _____
Alexandra Finley



Committee Member: _____
Robert Lloyd

Dated this 10th day of November 2020

AUDITOR'S INDEPENDENCE DECLARATION

To: The Board of Rainbow Club Australia Inc

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 30 June 2020, there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Greg Thompson



Sydney 13.th day of August 2020

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RAINBOW CLUB AUSTRALIA INCORPORATED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Revenue	1,001,088	1,255,978
Other income	12,006	8,927
Government Subsidies	417,800	-
Depreciation and amortisation expenses	(51,924)	(14,073)
Rental Expenses	(5,773)	(4,691)
Staff training and development	(113,025)	(91,227)
Audit, legal and consultancy fees	(11,793)	(2,786)
Fundraising expenses	(55,425)	(71,554)
Service provision expenses	<u>(1,368,788)</u>	<u>(885,921)</u>
Current year surplus before income tax	(175,834)	194,653
Income tax expense	-	-
Net current year surplus	<u>(175,834)</u>	<u>194,653</u>
Other comprehensive income -		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met	-	-
Total other comprehensive income for the year	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(175,834)</u>	<u>194,653</u>
Total comprehensive income attributable to members of the entity	<u><u>(175,834)</u></u>	<u><u>194,653</u></u>

The accompanying notes form part of these financial statements.

RAINBOW CLUB AUSTRALIA INCORPORATED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash on hand and term deposits	9	855,407	971,518
Accounts receivable and other debtors	3	157,813	15,975
Prepayments		9,337	11,686
TOTAL CURRENT ASSETS		1,022,557	999,179
NON-CURRENT ASSETS			
Plant and equipment	4	104,096	119,514
Intangibles	5	-	853
TOTAL NON-CURRENT ASSETS		104,096	120,367
TOTAL ASSETS		1,126,653	1,119,546
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	6	107,186	25,185
Employee provisions	7	9,637	8,639
Income in advance	8	-	3,880
Grants received in advance	8	125,640	96,590
Other current liabilities	8	75,612	840
TOTAL CURRENT LIABILITIES		318,075	135,134
TOTAL LIABILITIES		318,075	135,134
NET ASSETS		808,578	984,412
EQUITY			
Retained surplus		808,578	984,412
TOTAL EQUITY		808,578	984,412

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Retained Surplus \$
Balance at 1 July 2018	<u>789,759</u>
Comprehensive Income	
Surplus for the year attributable to members of the entity	194,653
Other comprehensive income for the year	<u>-</u>
Total comprehensive income attributable to member of the entity	<u>194,653</u>
Balance at 30 June 2019	<u>984,412</u>
Balance at 1 July 2019	<u>984,412</u>
Comprehensive Income	
Deficit for the year attributable to members of the entity	(175,834)
Other comprehensive income for the year	<u>-</u>
Total comprehensive income attributable to member of the entity	<u>(175,834)</u>
Balance at 30 June 2020	<u>808,578</u>

RAINBOW CLUB AUSTRALIA INCORPORATED
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STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donations, bequests and raffles		854,849	1,130,890
Receipts from grants		250,143	186,374
Payments to suppliers and employees		(1,469,456)	(1,056,930)
Interest received		12,006	8,927
Government Subsidies		272,000	-
Net cash (used in)/generated from operating activities	10	<u>(80,458)</u>	<u>269,261</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(35,653)	(129,311)
Payment for intangibles		-	-
Net cash used in investing activities		<u>(35,653)</u>	<u>(129,311)</u>
Net increase/(decrease) in cash held		(116,111)	139,950
Cash on hand at the beginning of the financial year		971,518	831,568
Cash on hand at the end of the financial year	9	<u>855,407</u>	<u>971,518</u>

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1 Summary of Significant Accounting Policies

The committee members have prepared the financial statements on the basis that the Entity 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 Entity 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 *Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the committee members 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-profit Commission Act 2012*, 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 historic 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 amounts presented in the financial statements have been rounded to the nearest dollar.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated 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.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

RAINBOW CLUB AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

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 of disposal 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.

Employee Provisions

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 provisions have been measured at the amounts expected to be paid when the liability is settled.

Cash on Hand and Term Deposits

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

Accounts Receivable and Other Receivables

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.

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.

Interest revenue is recognised on a cash received basis. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

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

RAINBOW CLUB AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

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 (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 assets and liabilities statement.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transactions costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

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.

RAINBOW CLUB AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
2 Auditors' Fees			
Remuneration of the auditor of the association for			
- Auditing or reviewing the financial report		3,182	2,786
		<u>3,182</u>	<u>2,786</u>
3 Accounts Receivable and Other Debtors			
Current			
Other Debtors		840	1,960
Sundry Debtors		145,800	-
GST		5,751	14,015
ATO ICA		5,422	-
		<u>157,813</u>	<u>15,975</u>
4 Plant and Equipment			
Minor Assets		-	3,746
Less: Accumulated Depreciation		-	(3,744)
		<u>-</u>	<u>2</u>
Office Furniture & Equipment		11,961	16,321
Less: Accumulated Depreciation		(9,210)	(13,602)
		<u>2,751</u>	<u>2,719</u>
Software		160,580	127,316
Less: Accumulated Amortisation		(59,235)	(10,523)
		<u>101,345</u>	<u>116,793</u>
Total Plant and Equipment		<u>104,096</u>	<u>119,514</u>
5 Intangible Assets			
Systems Development		20,000	20,000
Less Accumulated Amortisation		(20,000)	(19,147)
Total		<u>-</u>	<u>853</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
6	Accounts Payable and Other Payables		
	Current		
	Credit Cards	5,290	773
	Sundry Creditors	42,580	-
	Other Creditors	20,029	-
	PAYG Withholding Payable	22,338	6,891
	Superannuation Payable	16,949	17,521
		<u>107,186</u>	<u>25,185</u>
7	Employee Provisions		
	Provision for Annual Leave	9,637	8,639
		<u>9,637</u>	<u>8,639</u>
8	Other Liabilities		
	Current		
	Income in Advance	-	3,880
	Grants Received in Advance	125,640	96,590
	Sponsorships in Advance	-	-
	Membership Fees in Advance	72,259	840
	Registration Fees in Advance	3,353	-
		<u>201,252</u>	<u>101,310</u>
9	Cash on Hand and Term Deposits		
	CBA Operating Account	39,204	37,652
	CBA Online Saver	18,890	118,772
	CBA Clubs Account	35,455	65,094
	Term Deposits	761,858	750,000
		<u>855,407</u>	<u>971,518</u>

RAINBOW CLUB AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<hr/>		
10 Cash Flow Information		
Reconciliation of cash flows from operations with net current year surplus		
Net current year surplus/(deficit)	(175,834)	194,653
Net-cash flows in profit:		
- depreciation and amortisation	51,924	14,073
Changes in assets and liabilities		
- (increase)/decrease in accounts receivable and other debtors	(141,838)	(4,384)
- (increase)/decrease in Prepayments	2,349	(5,493)
- increase/(decrease) in grants received in advance	29,050	71,590
- increase/(decrease) in income in advance	70,892	(5,920)
- (increase)/decrease in fixed assets	(35,653)	(129,311)
- (decrease)/increase in accounts payable and other payables	82,001	3,353
- (decrease)/increase in provisions	<u>998</u>	<u>1,389</u>
Cash flows (used in)/provided by operating activities	<u>(116,111)</u>	<u>139,950</u>

RAINBOW CLUB AUSTRALIA INCORPORATED
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**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND
PERFORMANCE OF INCORPORATED ASSOCIATION**

We Alexandra Finley, and Robert Lloyd, being members of the committee of Rainbow Club Australia Incorporated, certify that -

1. The statements attached to this certificate give a true and fair view of the financial position and performance of Rainbow Club Australia Incorporated during and at the end of the financial year of the association ending on 30 June 2020.
2. There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
3. The financial statements and notes satisfy the requirements of the ACNC Act.

President: _____
Alexandra Finley

**Vice
President:** _____
Robert Lloyd

Dated this day of 2020

Independent Auditor's Report

To: The Members of Rainbow Club Australia Inc

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Rainbow Club Australia Inc, ABN 96 753 434 862, which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes

In my opinion, the financial report of Rainbow Club Australia Inc is prepared in accordance with the Associations Incorporation Act NSW 2009 and with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the requirements of the Associations Incorporation Act NSW 2009 and with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. I am independent of the entity in accordance with the auditor independence requirements and 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 the audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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I confirm that the independence declaration, which has been given to the directors of the entity, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The entity is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information we are required to report that fact. I have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

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Auditor's responsibilities for the audit of the financial report

My 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 my 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.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of my auditor's report.

Greg thompson

Gregory Thompson

Thomsonson Audit

Date: 6th November 2020

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