

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**30 JUNE 2013**

**CONTENTS**

Directors' Report	1
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Independent Auditor's Report	24
Declaration by the Directors	26
Consolidated Profit and Loss Statement	28
Other Information Disclaimer	30
Additional Information	31

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**DIRECTORS' REPORT**

The Board of Directors submit the financial report of the SHINE For Kids Co-operative Limited for the financial year ended 30 June 2013.

**Directors**

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

**Helen Wiseman** (Chairperson)

**Arthur Begetis** resigned 16/03/2013

**Katherine Shaw** resigned 15/05/2013

**Paul Freeman** (Deputy Chairperson)

**Kristy Huxtable** resigned 13/08/2012

**Helen Nezeritis** resigned 13/02/2013

**Jonathan Arthur**

**Graham West**

**Patrick Garcia** appointed 13/02/2013

**Sue Woodward** appointed 16/04/2013

**Carol Vale** appointed 16/04/2013

**Stephanie Lai** (Treasurer) appointed 19/06/2013

**Jae Kang** (Secretary)

**Principal Activities**

The principal activities of the Co-operative during the financial year were to work in partnership with children and young people with a parent in the criminal justice system to overcome social and educational barriers and realise their individual potential.

**Significant Changes**

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

**Operating Result**

The net operating result for the year amounted to a surplus of \$97,713 (2012: Loss of \$120,218).

**Events Subsequent to Balance Date**

No events have arisen since the end of the financial year, which may significantly affect the operation of the Co-operative, its results, or the state of its affairs in subsequent financial years.

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**Likely Developments**

The Co-operative will continue its objectives of working with children and young people with a parent in the criminal justice system to overcome social and educational barriers and realise their individual potential.

**Tax Concession**

The Co-operative is endorsed as a Public Benevolent Institution and continues to receive Australian Taxation Office exemption from income tax. Gifts of \$2 and over are allowable income tax deductions for donors to the Co-operative.

**Directors' Benefit**

Since the end of the previous financial year, no director has received or 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 Co-operative) by reason of a contract made by the Co-operative or a Related Corporation with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial financial interest.

**Legal Proceedings**

No person has applied for leave of Court to bring proceedings on behalf of the Co-operative, or intervene in any proceedings to which the Co-operative is a party, for the purpose of taking responsibility on behalf of the Co-operative for all, or any part of those proceedings.

The Co-operative was not a party to any such proceedings during the year.

**Information on Directors**

**Helen Wiseman**

Qualifications	Chairperson of the Board, BSc in European Studies, BSc in Psychology, AICD Company Directors Diploma, Chartered Accountant
Experience	Director since 17 November 2004

**Paul Freeman**

Qualifications	Deputy Chairperson, Fundraising and Marketing Consultant
Experience	Director since 15 November 2005

**Graham West**

Qualifications	B Commerce (Mgmt), Master of International Studies (Merit)
Experience	Director since 28 September 2010

**Jonathan Arthur**

Qualifications	Bachelor of Science, Doctor of Philosophy, AICD Company Directors Course Diploma
Experience	Director since 18 November 2010

**Patrick Garcia**

Qualifications	Bachelor of Commerce, Bachelor of Law (Hons), Masters of Public Policy
Experience	Director since 13 February 2013

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**Sue Woodward**

Qualifications BA Communications, MA Marketing, Graduate AICD Company Directors' Course  
 Experience Director since 16 April 2013

**Carol Vale**

Qualifications Bachelor of Arts, Masters of Indigenous Studies, Post Graduate Diploma in Public Sector Leadership  
 Experience Director since 16 April 2013

**Stephanie Lai**

Qualifications Treasurer, Bachelor of Business, Former Partner of KPMG, Chartered Accountant  
 Experience Director since 19 June 2013

**Jae Kang**

Qualifications Secretary, Group Legal Counsel Sage, BA/LLB/Diploma of Legal Practice  
 Experience Director since 18 June 2012

During the financial year 9 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number Attended
Helen Wiseman	9	8
Arthur Begetis	6	4
Katherine Shaw	8	5
Paul Freeman	9	8
Helen Nezeritis	5	3
Jonathan Arthur	9	8
Graham West	9	4
Jae Kang	9	9
Patrick Garcia	5	5
Sue Woodward	3	3
Carol Vale	3	2
Stephanie Lai	1	1

SHINE FOR KIDS CO-OPERATIVE LIMITED  
ABN 60 662 072 775

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Signed in accordance with a resolution of the Board of Directors.

Director:

H Wiseman  
Helen Wiseman

Director:

Stephanie Lai  
Stephanie Lai

Dated this 12 day of NOVEMBER 2013

**AUDITORS' INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
SHINE FOR KIDS CO-OPERATIVE LIMITED**

We hereby declare, that to the best of our knowledge and belief, during the financial year ended 30 June 2013 there have been no:

- (i) contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Myers & Naumburger  
Chartered Accountants

Name of Partner: Sharon Myers  
Sharon Myers B.Bus. ACA 25888 Registered Company Auditor 4547

Dated this 5th day of November, 2013

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
Revenue	2	2,482,688	2,694,852
Advertising expenses		(4,871)	(841)
Auditors' remuneration	3	(20,100)	(29,500)
Cafe Cost of Sales		(54,522)	-
Depreciation and amortisation expenses		(36,924)	(51,206)
Employee benefits expenses		(1,630,598)	(1,966,327)
Rental expenses		(17,131)	(16,473)
Repairs and maintenance		(3,352)	(127)
Staff training expenses		(1,592)	(1,863)
Fundraising expenses		(67,491)	(129,150)
Other expenses		(548,394)	(619,583)
<b>Total comprehensive income / (loss) for the year</b>		<u>97,713</u>	<u>(120,218)</u>
Total comprehensive income / (loss) attributable to members of the entity		<u><u>97,713</u></u>	<u><u>(120,218)</u></u>

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	461,458	421,065
Trade and Other Receivables	5	80,270	94,575
Inventories	6	4,814	-
<b>TOTAL CURRENT ASSETS</b>		<u>546,542</u>	<u>515,640</u>
<b>NON-CURRENT ASSETS</b>			
Financial Assets	7	1,055	675
Motor Vehicles, Equipment & Fixtures	8	124,235	107,591
<b>TOTAL NON-CURRENT ASSETS</b>		<u>125,290</u>	<u>108,266</u>
<b>TOTAL ASSETS</b>		<u>671,832</u>	<u>623,906</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	9	154,120	253,258
Employee Provisions	10	118,792	79,753
<b>TOTAL CURRENT LIABILITIES</b>		<u>272,912</u>	<u>333,011</u>
<b>NON-CURRENT LIABILITIES</b>			
Finance Contract	9	39,512	-
Employee Provisions	10	9,557	39,137
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>49,069</u>	<u>39,137</u>
<b>TOTAL LIABILITIES</b>		<u>321,981</u>	<u>372,148</u>
<b>NET ASSETS</b>		<u>349,851</u>	<u>251,758</u>
<b>EQUITY</b>			
Reserves	11	710	330
Retained Earnings	12	349,141	251,428
<b>TOTAL EQUITY</b>		<u>349,851</u>	<u>251,758</u>

The accompanying notes form part of these financial statements



**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
<b>Balance at 30 June 2011</b>		371,646	315	371,961
Surplus/(Loss) attributable to members		(120,218)	15	(120,203)
<b>Balance at 30 June 2012</b>		251,428	330	251,758
Surplus/(Loss) attributable to members		97,713	380	98,093
<b>Balance at 30 June 2013</b>		349,141	710	349,851

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b><u>Receipts</u></b>		
Donations	47,177	61,084
Grants - Government & Private	2,144,311	2,360,402
Interest Received	12,929	8,065
Other	266,862	794,687
<b>Total</b>	<b>2,471,279</b>	<b>3,224,238</b>
<b><u>Less Payments</u></b>		
Employment Costs - Salaries & Superannuation	(1,535,892)	(1,979,595)
Suppliers	(852,836)	(1,444,510)
<b>Total</b>	<b>(2,388,728)</b>	<b>(3,424,105)</b>
<b>Net cash used in operating activities</b>	15 <b>82,551</b>	<b>(199,867)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant & equipment	36,000	41,474
Payments for property, plant & equipment	(78,158)	-
<b>Net cash used in investing activities</b>	<b>(42,158)</b>	<b>41,474</b>
Total cash provided operating & investing activities	40,393	(158,393)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net increase / (decrease) in cash	40,393	(158,393)
Cash at 1 July 2012	421,065	579,458
<b>Cash and cash equivalents at 30 June 2013</b>	<b>461,458</b>	<b>421,065</b>

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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**1. Statement of Significant Accounting Policies**

SHINE for Kids Co-operative Limited is an individual entity incorporated in NSW under the Co-operatives Act 1992.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the NSW Co-operatives Act 1992 and the Corporations Act 2001. A statement of compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the Co-operative applying not-for-profit specific requirements contained in the Australian Accounting Standards.

The Co-operative is recognised as a reporting entity and accordingly is required to provide a detailed comprehensive financial report together with compliance notes and a detailed cash flow report.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the first-in, first-out basis.

**Income Tax**

The Co-operative is operated as a non-profit organisation with income and any surplus being applied solely toward the promotion of the objects of the Co-operative.

The income of the Co-operative is exempt from Australian Income Tax under Subdivision 50-5 of the Income Tax Assessment Act 1997 item 1.1 charitable institution.

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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**Motor Vehicles, Equipment & Fixtures**

Each class of property, motor vehicles equipment & fixtures is carried at fair value or cost less any accumulated depreciation and impairment losses, where applicable.

The carrying amounts of motor vehicles, equipment & fixtures are reviewed annually by the Co-operative to ensure the carrying amounts are not in excess of the recoverable amount from 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 been discounted to their present values in determining recoverable amounts.

**Depreciation**

Motor vehicles, equipment & fixtures are depreciated on a straight line basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

The assets' carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. An asset's carrying account is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Profit and loss on disposal are determined by comparing proceeds with the carrying amount. These amounts are included in the income statement.

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Equipment & Fixtures	11.25% – 50%
Motor Vehicle	25%

**Impairment of Assets**

At each reporting date, the Co-operative reviews the carrying amounts of its assets' to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of a cash generating unit is estimated to be less than its carrying amount, the carrying amount of the cash generating unit is reduced to its recoverable amount.

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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An impairment loss is recognised immediately in the income statement. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset. The reversal of an impairment loss is recognised immediately in income.

### **Financial Instruments**

#### **Recognition**

Financial instruments are initially recognised at cost on the trade date, which includes transaction costs, when the contractual rights or obligations exist. After initial recognition, financial instruments are measured as set out below:

#### **Investments**

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the income statement.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

#### **Fair Value**

Fair value is determined based on current bid prices for quoted investments.

Shares in listed companies are recorded at market value with changes in fair value recorded directly in equity.

### **Employee Benefits**

Provision is made for the liability due to employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within twelve months have been measured at their nominal amount. Other employee benefits payable later than twelve months have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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**Provisions**

Provisions are recognised when the Co-operative 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**Cash and Cash Equivalents**

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

**Revenue**

Interest revenue is recognised on a cash basis taking into account the interest rates relevant to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Grants are recognised on a cash basis in accordance with AASB1004. Where the recognition criteria under AASB1004 are not satisfied, grants are rolled over to the following financial year.

Donations and bequests are recognised as revenue when received.

**Fundraising Activities**

Revenue from Fundraising is recognised when received. A licence to fundraise is currently held for New South Wales, Victoria and Queensland. A summary of revenue and expenses associated with fundraising is disclosed on pages 31–32.

**Donated Services**

Where services are donated to the Co-operative, no assessment of the value of those services is included in the financial statements.

**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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Co-operative during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**Leases**

Leases of property, plant and equipment, where substantially all the risk and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

**Economic Dependency**

The organisation is largely dependent on the continued financial support of the Federal Government, State Governments, charitable trusts and foundations and private philanthropists in order to fund its operations. The organisation is also largely dependent on the continued provision of donated items, including access to office facilities and premises, supplier services provided on a pro bono or discounted basis and volunteer labour.

**Comparative Figures**

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

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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**Critical Accounting Estimates and Judgments**

Estimates and judgments incorporated into the financial statements are based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Co-operative.

**New Accounting Standards for Application in Future Periods**

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Co-operative has decided not to early adopt any of the new and amended pronouncements.

The following standards have been identified as those which may affect the Co-operative in the period of initial application:

- AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

As a not-for-profit entity, the Co-operative will be eligible to apply the Tier 2 reporting requirements that are provided in these standards. If the Co-operative should decide to do so, this will reduce some disclosure in the notes to the financial statements but will not affect the statements of financial position or comprehensive income.

- AASB 119 Employee Benefits includes changes to require only those benefits that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short term employee benefits. This standard is not expected to significantly impact the Co-operative's financial statements.



**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<b>2 Revenue and Other Income</b>		
<b>Revenue</b>		
Revenue from government grants & other grants:		
Federal government grants	214,424	348,337
State government grants	1,341,272	1,049,061
Other government grants	3,000	10,000
Other organisations	585,615	963,504
	2,144,311	2,370,902
Other revenue:		
Cafe Takings	79,789	-
Dividends received	53	34
Interest received	12,929	8,065
	92,771	8,099
Total revenue	2,237,082	2,379,001
<b>Other income</b>		
Gain on disposal of motor vehicles	11,409	7,238
Charitable income and fundraising	168,283	206,840
Other	65,914	101,773
Total other income	245,606	315,851
Total Revenue and Other Income	2,482,688	2,694,852
<b>3 Profit for the Year</b>		
Profit from continuing operations includes the following specific expenses:		
<b>Auditors' Remuneration</b>		
Amounts received or due and receivable by the auditors for:-		
Auditing the accounts	10,500	15,000
Other services	9,600	14,500
	20,100	29,500
<b>Depreciation</b>		
Depreciation of motor vehicles, plant & equipment	36,924	51,206

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<b>3 Profit for the Year (continued)</b>		
<b>Cafe</b>		
The Cafe incurred an overall operating loss of	<u>(57,185)</u>	<u>-</u>
<b>4 Cash and Cash Equivalents</b>		
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash at Bank	106,911	286,457
Fundraise Account	39,085	25,656
ING Direct	314,726	106,797
Petty Cash Float	<u>736</u>	<u>2,155</u>
	<u>461,458</u>	<u>421,065</u>
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Other Debtors	41,686	42,078
Sundry Debtors	30,955	47,761
Deferred Interest Finance Contracts	5,129	2,236
Rental Bond	<u>2,500</u>	<u>2,500</u>
	<u>80,270</u>	<u>94,575</u>
<b>6 Inventories</b>		
<b>Current</b>		
Cafe Stock on Hand – at Cost	<u>4,814</u>	<u>-</u>
<b>7 Financial Assets</b>		
<b>Non-Current</b>		
Shares in Public Companies at market value	<u>1,055</u>	<u>675</u>

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<b>8 Motor Vehicles, Equipment &amp; Fixtures</b>		
<b>Motor Vehicles, Equipment &amp; Fixtures:</b>		
At cost	272,756	253,905
Accumulated depreciation	(148,521)	(146,314)
	124,235	107,591
<b>9 Trade and Other Payables</b>		
<b>Current</b>		
Creditors & Accruals	109,677	156,474
Goods & Services Tax Liability	31,294	27,594
Finance Contracts Amounts payable within 12 months	13,149	69,190
	154,120	253,258
<b>Non-Current</b>		
Finance Contracts	39,512	-
	39,512	-
<b>10 Employee Provisions</b>		
Provision for Long Service Leave – Current	39,013	14,994
Provision for Long Service Leave - Non Current	9,557	39,137
Provision for Annual Leave	79,779	64,759
<b>Total Employee Provisions</b>	128,349	118,890
<b>Analysis of Total Employee Provisions</b>		
Current	118,792	79,753
Non-current	9,557	39,137
	128,349	118,890
<b>11 Reserves</b>		
<b>Asset Revaluation Reserve</b>		
Shares in Insurance Australia Group Ltd	710	330
	710	330

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<b>12 Retained Earnings</b>		
Retained surplus at the beginning of the financial year	251,428	371,646
Net surplus / (loss) attributable to members of the Co-operative	97,713	(120,218)
Retained Surplus at the end of the financial year	<u>349,141</u>	<u>251,428</u>

**13 Financial Instruments**

**Financial Risk Management**

The Co-operative's financial instruments consist primarily of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The Co-operative does not have any derivative instruments at 30 June 2013.

A finance committee reviews the Co-operatives overall risk management strategy to assist in meeting financial targets and minimise potential adverse effects on financial performance.

**Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance of counter parties of contractual obligations that could lead to financial loss.

The Co-operative does not have a material credit risk exposure as a major source of revenue is the receipt of Federal, State and Local Government Grants. The majority of these are in accordance with three year funding agreements.

**Liquidity Risk**

Liquidity risk arises from the possibility that the Co-operative may encounter difficulty in paying its debts or meeting financial obligations. Liquidity risk is managed by the use of budgets, cash flows and regular reviews by the finance committee.

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**14 Related Party Transactions**

**(a) Key Management Personnel Remuneration**

	Short-term benefits				Post employment benefit		Total \$
	Salary \$	Super \$	Bonus \$	Non-cash \$	Other \$	Long-term \$	
<b>2012</b>							
Total remuneration	107,888	9,710	-	4,394	-	-	121,992
<b>2013</b>							
Total remuneration	105,245	9,472	-	2,994	-	-	117,711

**(b) Other Related Parties**

	<b>2013</b> \$	<b>2012</b> \$
The following amounts were paid to K Yalda trading as Yaltech for IT services (hardware and software support)	145,132	179,875

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<hr/>		
<b>15 Cash Flow Information</b>		
<b>1. Reconciliation of Cash</b>		
<p>For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash at bank and investments in money market instruments. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:</p>		
<b>Cash</b>		
Cash Floats	736	2,155
Cash at Bank	460,722	418,910
	461,458	421,065
	461,458	421,065
<b>2. Reconciliation of Net Cash Provided</b>		
<b>Operating results</b>	97,713	(120,218)
Non-Operating cash flows in operating surplus:		
Depreciation	36,924	51,206
Loss on sale of assets	-	-
Profit on sale of assets	(11,409)	(7,238)
<b>Change in Assets and Liabilities</b>		
Decrease / (Increase) in receivables	12,384	(78,436)
Increase / (Decrease) in payables	(66,218)	(21,991)
Increase / (Decrease) in GST Liabilities	3,698	6,459
Increase / (Decrease) in provisions	9,459	(19,149)
Decrease / (Increase) grants in advance	-	(10,500)
	82,551	(199,867)
<b>Net Cash Provided</b>	82,551	(199,867)

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<hr/>		
<b>16 Commitment to Expenditure</b>		
The Co-operative has incurred the following contractual obligations. Amounts payable under the agreements are as follows:		
<b>(a) Rental Property Lease</b>		
Payable not later than 12 months (2013 month to month contract)	1,608	1,546
between 12 months and five years	-	-
greater than five years	-	-
	1,608	1,546
	1,608	1,546
<b>(b) Equipment Rental</b>		
Payable not later than 12 months	86,582	177,672
between 12 months and five years	5,697	92,279
greater than five years	-	-
	92,279	269,951
	92,279	269,951

**17 Co-operative Details**

The registered office of the Co-operative is:

SHINE for Kids Co-operative Limited

The Cottage  
Holker Street  
SILVERWATER NSW 2128

The principal place of business is:

The Cottage  
Holker Street  
SILVERWATER NSW 2128

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

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**18 Funding**

During the year, SHINE for Kids Co-operative Limited received funding from the following Federal & State Government Departments:-

Federal Department of Families, Housing, Community Services & Indigenous Affairs (FaHCSIA)

Corrective Services NSW

ACT Attorney-General's Department

ACT Government Health Directorate

ACT Corrective Services

Attorney-General's Department – Proceeds of Crime

Attorney-General's Department – Indigenous Justice

Attorney-General's Department – Juvenile Justice

Department of Justice Corrections Victoria

Community Services, Department Family and Community Services NSW

Aboriginal Child, Family and Community Care State Secretariat (NSW) Inc. (ABSEC)



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF SHINE FOR KIDS CO-OPERATIVE LIMITED  
ABN 60 662 072 775**

**Report on the Financial Report**

We have audited the accompanying financial report of SHINE for Kids Co-operative Limited (the Co-operative) which comprises the statement of financial position as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

**Directors' Responsibility for the Financial Report**

The directors of the Co-operative are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) the NSW Co-operatives Act 1992. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independence**

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

**Auditors' Opinion**

In our opinion:

The financial report of SHINE for Kids Co-operative Limited is in accordance with the NSW Co-operatives Act 1992 including:

- (i) giving a true and fair view of the Co-operative's financial position as at 30 June 2013 and of its performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the NSW Co-operatives Act 1992.

We also report that:

- (i) the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- (ii) the accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and the Regulations;
- (iii) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the Regulations; and
- (iv) at the date of this report, there are reasonable grounds to that the Co-operative will be able to pay its debts as and when they fall due.

**Name of Firm:** Myers & Naumburger  
Chartered Accountants

**Name of Partner:** Sharon Myers  
Sharon Myers B.Bus. ACA 25888 Registered Company Auditor 4547

**Address:** Suite 8, 50 Great North Road, Five Dock NSW 2046

**Dated this** 5th **day of** November, 2013



**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**DECLARATION BY THE DIRECTORS**

The directors have determined that the Co-operative is a reporting entity as defined in Statement of Accounting Concepts 1: Definition of a Reporting Entity, The financial statements have therefore been prepared having regard to applicable accounting standards, urgent issues & group consensus views as specified by the accounting profession.

The directors have determined that this general purpose financial report should be prepared in accordance with those accounting standards and the basis of accounting outlined in Note 1 to the accounts.

In the opinion of the directors of the Co-operative the financial report as set out of pages 1 to 25.

1. Presents a true view of the financial position of the Co-operative as at 30 June 2013, and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they fall due.
3. (a) The Co-operative has kept such accounting records as correctly explain the transactions and financial position of the Co-operative.  
(b) The Co-operative has kept its accounting records in such a manner as would enable true and fair accounts of the Co-operative to be prepared from time to time.  
(c) The Co-operative has kept its accounting records in such a manner as would enable the accounts to be conveniently and properly audited in accordance with the NSW Co-operatives Act 1992.  
(d) The accounts have been properly prepared by a competent person.
4. (a) The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals;  
(b) The Statement of Financial Position gives a true and fair view of the state of affairs of the Co-operative with respect to fundraising appeals;  
(c) The provisions of the Charitable Fundraising Act 1991, the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the Co-operative; and  
(d) The internal controls exercised by the Co-operative are appropriate and effective in accounting for all income received and applied by the Co-operative from any of its fundraising appeals.


I, Helen Wiseman of 8 Warrabri Place, West Pymble NSW 2073 and I, Stephanie Lai of 1 Lloyd Avenue, Hunters Hill NSW 2110 certify that:

- (a) We are members of the Board of Directors SHINE for Kids Co-operative Limited.
- (b) We attended the annual general meeting of the Co-operative.
- (c) We are authorised by the attached resolution of the board to sign this certificate.
- (d) This annual statement was submitted to the members of the Co-operative at its annual general meeting.

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**DECLARATION BY THE DIRECTORS**

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Director:   
Helen Wiseman

Director:   
Stephanie Lai

Dated this 12 day of NOVEMBER 2013

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**CONSOLIDATED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<b>Income</b>		
Funding - Federal Government	214,424	348,337
Funding - State Government	1,341,272	1,049,061
Funding - Local Government	3,000	10,000
Funding - Philanthropic Trusts & Corporations	585,615	963,504
Cafe Takings	79,789	-
Cafe Fundraising Initiatives & Donations	18,026	-
Donations	45,403	61,085
Fundraising Initiatives	155,231	206,840
Service Fees	6,045	3,553
Interest Received	12,929	8,065
Gain on Sale of Non Current Assets	11,409	7,238
Sundry Income	9,545	37,169
	2,482,688	2,694,852

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**CONSOLIDATED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<b>Expenses</b>		
Advertising & Promotion	-	841
Audit & Accountancy Fee	20,100	29,500
Assets Purchased less than \$1,000	4,134	6,678
Bank Charges	3,072	2,758
Business Planning, Reporting & Evaluation	62,206	18,800
Cafe Cost of Sales	54,600	-
Cafe Salary & Wages	86,332	-
Cafe Other Operating Expenses	14,068	-
Client Support Services	28,986	69,300
Consultants Fees	41,550	54,321
Computer Expenses	133,127	164,974
Depreciation - Motor Vehicle	31,946	40,862
Depreciation - Plant & Equipment	4,977	10,344
Employment Support, Training & Development	2,432	2,583
Fundraising Expenses	66,864	129,150
Governance Board Expenses	-	3,261
Insurance General, Public Liability & Professional Ind.	10,541	6,294
Legal Fees	49	312
Meeting Expenses	3,524	2,634
Membership Fees Paid	7,235	7,541
Motor Vehicle Expenses	49,287	78,513
Postage, Freight & Courier	5,774	6,269
Printing & Stationary	8,762	15,068
Publications & Information Resources	329	1,466
Rent	17,131	16,473
Repairs & Maintenance	729	127
Salaries & Wages	1,544,096	1,960,446
Staff Amenities	5,939	5,881
Telephone & Fax Charges & Internet	165,510	160,400
Travel & Accommodation	4,132	14,967
Utilities	2,971	1,197
Volunteer Costs	4,572	4,110
	<u>2,384,975</u>	<u>2,815,070</u>
<b>Profit / (Deficit) for the year</b>	<u><b>97,713</b></u>	<u><b>(120,218)</b></u>

The accompanying notes form part of these financial statements

SHINE FOR KIDS CO-OPERATIVE LIMITED  
ABN 60 662 072 775

OTHER INFORMATION DISCLAIMER  
OF OPINION ON THE 2013 FINANCIAL ACCOUNTS

Disclaimer

The additional financial data presented in the following pages is in accordance with the books and records of SHINE for Kids Co-operative Limited which have been subjected to the auditing procedures applied in our statutory audit of the Co-operative for the period ended 30 June 2013. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.

Name of Firm: Myers & Naumburger  
Chartered Accountants

Name of Partner: Sharon Myers  
Sharon Myers B.Bus. ACA 25888 Registered Company Auditor 4547

Dated this 5th day of November, 2013

**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**ADDITIONAL INFORMATION**  
**TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991**

**Summary of Fundraising appeals conducted during the year**

The Co-operative holds an authority to fundraise under the NSW Charitable Fundraising Act of 1991. SHINE for Kids also holds an authority to fundraise in Victoria and QLD.

During the year, the Co-operative engaged in fundraising activities as defined by the NSW Charitable Fundraising Act. The total income from these activities amounted to \$606,492. Of this amount, \$215,460 was derived from fundraising appeals, gifts from individuals and businesses, and \$391,032 raised from trusts and foundations.

	2013		2012	
	\$	%	\$	%
<b>Consolidated Fundraising Efforts</b>				
Total cost of Fundraising / gross income from fundraising	190,065 / 606,492	31%	300,710 / 1,022,129	29%
Net surplus from Fundraising / gross income from fund raising	416,427 / 606,492	69%	721,419 / 1,022,129	71%

**Fundraising Events**

SHINE for Kids conducted two events during the year, a Golf Day and Chairman Luncheons.

Total cost of Fundraising / gross income from fundraising	11,417 / 23,092	49%	20,066 / 33,218	60%
Net surplus from Fundraising / gross income from fundraising	11,675 / 23,092	51%	13,152 / 33,218	40%

**Fundraising Gaming Activities**

In 2012 SHINE for Kids operated Housie Bingo in Junee. No Housie Bingo was run during 2012/13.

Total cost of Fundraising / gross income from fundraising	-	-	2,081 / 2,096	99%
Net surplus from Fundraising / gross income from fundraising	-	-	14 / 2,096	1%



**SHINE FOR KIDS CO-OPERATIVE LIMITED**  
**ABN 60 662 072 775**

**ADDITIONAL INFORMATION**  
**TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991**

**Fundraising conducted jointly with traders**

	2013	2012
	\$	\$
Revenue	63,239	69,975
Less payments to trader	44,162	51,311
<b>Gross Contribution</b>	<b>19,077</b>	<b>18,664</b>

**Specific Appeal Comparisons**

	Gross Income	Expenditure	2013 Surplus	2013	2012 Surplus
	\$	\$	\$	%	\$
Chocolate Drives	18,931	10,789	8,142	43%	25,544
Mail Out - CEO Appeal	-	-	-	-	7,862
Mail Out - National Family Week	-	-	-	-	250
Mail Out – Christmas Appeal	425	-	425	100%	-
Mail Out - End of Financial Year Appeal	7,165	4,250	2,915	41%	1,882
BBQ's	11,927	5,975	5,952	50%	7,146
Raffle	4,106	652	3,454	84%	-