



BSP
Advisory

Chartered Accountants • Business Advisory

BSP Advisory Group Pty Ltd
Established 1967

ABN 93 001 950 625

16 January 2023

Committee Members
Red Head Villages Association Incorporated
1 Holly Street
Bendalong
NSW 2539

Dear Members of the Committee

Thank you for the opportunity to present you with the results of our audit of your annual financial statements.

Audit Objectives and Scope:

Auditors are required by the *Australian Auditing Standards* to communicate with management any matters arising during the audit. As part of the 30 June 2022 audit, we have conducted a review of the control systems, on which we wish to rely for the purpose of determining our audit procedures. Accordingly, our examination may not have identified all the control weaknesses that may exist.

Audit Results:

Based on our audit, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view (or are not presented fairly, in all material respects).

Recommendations:

1. We note, as is common for organizations of this size and type, it is not practicable to maintain an effective system of internal control over cash receipts until their initial entry in the accounting records. Accordingly, our audit in relation to cash receipts was limited to the amounts recorded. Nor did we perform a physical stocktake of the assets of the organization.
2. We do recommend that an inventory be taken of any assets purchased in prior years, including items such as the Tesla battery, solar panels, and a stocktake of the published books.

Conclusion:

We would like to thank you for the opportunity of auditing your Annual Financial Statements and look forward to working with you in the future. If you would like to discuss any matter relating to the audit, please do not hesitate to contact this office.

Yours faithfully

BSP Advisory Group Pty Ltd

John Nevin
Office 1, 134 Princes Highway, Ulladulla

Liability limited by a scheme approved under Professional Standards Legislation.

Any advice given is taxation advice only and is not and should not be taken as financial or legal advice. If you require these services, we would be pleased to put you in contact with the relevant professional.

Ulladulla • Batemans Bay • Moruya • Sydney



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AUSTRALIA & NEW ZEALAND

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Director

John C Nevin

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Grad Dip(ICAA),
Dip FP, JP
Director

Carl Roklitzer

B.Com(Acc)
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Director

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Association Audit Report

Red Head Villages Association Incorporated
ABN 62 742 198 530
For the year ended 30 June 2022

Prepared by BSP Advisory Group Pty Ltd

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Committee's Report

Red Head Villages Association Incorporated For the year ended 30 June 2022

Committee's Report

Your committee members submit the financial report of Red Head Villages Association Incorporated for the financial year ended 30 June 2022.

Committee Members

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

Committee Member	Position
Luke Bastock	President
Neil McGuckin	Vice President
Andrew Boyce	Treasurer
Gerry McCarthy	Public Officer
Karen Weinert	Infrastructure Co-Ordinator
Chloe Reekie	Environment Co-Ordinator
Guy Bartlett	Web Manager
Liz Holzner	Secretary

Operating Result

The surplus for the financial year amounted to: \$620,381.75

Going Concern

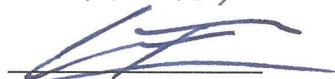
This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:



Luke Bastock (President)

Date 19/01/23



Andrew Boyce (Treasurer)

Date 16/01/2023

Income and Expenditure Statement

Red Head Villages Association Incorporated
 For the year ended 30 June 2022

2022

Income

Contributions

Memberships	920
Total Contributions	920

Grant Operating

Grants - Federal Government	570,720
Grants - Shoalhaven City Council	55,800
Total Grant Operating	626,520

Total Income	627,440
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Gross Surplus	627,440
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Expenditure

Depreciation	270
Advertising & Design	935
Community Donations	750
Insurance	1,150
Office Expenses	150
Printing & Stationery	1,089
Repairs and Maintenance	2,714
Total Expenditure	7,058

Current Year Surplus/ (Deficit)	620,382
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The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached audit report.

Assets and Liabilities Statement

Red Head Villages Association Incorporated

As at 30 June 2022

NOTES 30 JUN 2022

Assets

Current Assets

Cash and Cash Equivalents	649,817
Total Current Assets	649,817

Non-Current Assets

Plant and Equipment and Vehicles	21,982
Total Non-Current Assets	21,982

Total Assets	671,799
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Net Assets	671,799
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Member's Funds

Capital Reserve

Current Year Earnings	620,382
Retained Earnings	51,417
Total Capital Reserve	671,799

Total Member's Funds	671,799
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The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached audit report.

Notes to the Financial Statements

Red Head Villages Association Incorporated For the year ended 30 June 2022

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 2009 New South Wales*. 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.

Income Tax

The Association is exempt from Income Tax.

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.

Cash on Hand

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

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

These notes should be read in conjunction with the attached audit report.

True and Fair Position

Red Head Villages Association Incorporated For the year ended 30 June 2022

Annual Statements Give True and Fair View of Financial Position and Performance of the Association

We, Andrew Boyce, and Luke Bastock, being members of the committee of Red Head Villages Association Incorporated, certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of Red Head Villages Association Incorporated during and at the end of the financial year of the association ending on 30 June 2022.

Signed: 

Dated: 19/01/2023

Signed: 

Dated: 16/01/2023

Auditor's Report

Red Head Villages Association Incorporated For the year ended 30 June 2022

Independent Auditors Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Red Head Villages Association Incorporated (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2022, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

Committee's Responsibility for the Financial Report

The committee of Red Head Villages Association Incorporated is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of *the Associations Incorporation Act 2009 New South Wales* and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 auditor's 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 auditor considers internal control relevant to the association'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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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.

Opinion

In our opinion, the financial report presents fairly, in all material respects (or gives a true and fair view –refer to the applicable state/territory Act), the financial position of Red Head Villages Association Incorporated as at 30 June 2022 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 2009 New South Wales*.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Red Head Villages Association Incorporated to meet the requirements of *the Associations Incorporation Act 2009 New South Wales*.

John Nevin

Office 1, 134 Princes Highway, Ulladulla, NSW, 2539

Dated: / /

Compilation Report

Red Head Villages Association Incorporated For the year ended 30 June 2022

Compilation report to Red Head Villages Association Incorporated.

We have compiled the accompanying special purpose financial statements of Red Head Villages Association Incorporated, which comprise the asset and liabilities statement as at 30 June 2022, income and expenditure statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.


The Responsibility of the Committee Member's

The committee of Red Head Villages Association Incorporated are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.



John Nevin

Office 1, 134 Princes Highway, Ulladulla, NSW, 2539

Dated: 19 / 01 / 2023

