

Uniting Care Kippax Financial Report for the Year ended 30 June 2012

The end of another busy year has come and gone in the finance division. Again a significant amount of work and progress has been achieved in our reporting for this year and the team as a whole deserves thanks. In addition, I would just like to express my appreciation for the support provided to me by the finance team, the Executive Officer and the UCK board as a whole during another busy and challenging year. This year we have managed to have a relatively stable year in the finance team which has allowed us to look more closely at our internal reporting and start to implement some of the changes that we have been attempting over the last couple of years.

Income

As can be seen at Table 1 and Table 2 below UnitingCare Kippax is largely funded by grants from government, donations and additional support from the community and the Kippax Uniting Church congregation. Our income was largely in accordance with our budgeted figures with a reduction in the donations received directly from the congregation and community at large (though support from KUC as an organisation continues unchanged). This is a reduction that has been experienced across the organisation as a whole.

Though we do not quantify the value of our many and varied volunteers they are an integral part of our service delivery model and a vital part of our organisational culture. They continue to support UCK in almost every aspect of service provided to the community and cannot be thanked enough. In the tables below I have quantified a realistic yet conservative value of the "In-Kind" goods and services, including such support as the bread provided by Woolworths, discounts provided by Oz-Harvest and Foodbank, and direct services provided by members of the congregation (where it is quantifiable). We are looking at ways in which we might improve our processes for capturing this value.

The attached Table 1 shows the Income of the organisation over the last 5 years excluding "In-Kind donations" and an analysis of funding received over the last 2 years (Table 2) including "in-kind" donations.

Table 1

Prior Year analysis of Income excluding funds carried forward

Financial Year Ended	Government Grants	Private sector Grants (Snow, Brotherhood of St Lawrence & Woolworths)	Total
2009	645,588	61,170	706,758
2010	626,060	215,465	841,525
2011	637,440	189,145	826,585
2012	687,495	165,505	853,000
2013	825,501	230,176	1,055,677

Table 2**30 June 2013 Income Received excluding funds carried forward**

	2013		2012	
	\$	%	\$	%
Government Grants Recurrent & One Off	825,501	64.40%	687,495	64.26%
Private sector Grants (Snow, Brotherhood of St Lawrence & Woolworths)	230,176	17.96%	165,505	15.47%
Donations from congregation and Community	40,830	3.19%	50,992	4.77%
Playgroup Fees & Other	20,110	1.57%	8,417	0.79%
Bank Interest Received	15,645	1.22%	17,019	1.59%
KUC Contribution to Salary Costs & Other Inc	33,502	2.61%	30,000	2.80%
Donations in kind - Goods	115,975	9.05%	110,459	10.32%
	1,281,739	100.00%	1,069,887	100.00%

For the purposes of the above analysis I have ignored any grant monies that may be carried forward from year to year in advance of their use and only included the income that has been received or is receivable in the current financial year.

Expenditure

The majority of our funding is on a couple of major items: one is our staff. We currently we have 21 staff employed by UnitingCare Kippax. Of these, six are casual staff members whose hours vary depending on demand in their programs. The remaining staff are employed for 415 hours which equates to 10.921 fulltime staff. In addition to this there are in excess of 100 dedicated volunteers who assist in our service delivery. The second is the actual costs of the goods and services provided and the third major cost is the costs attributable to the Kippax Uniting Church for provision of premises and the associated utilities, plant and equipment that is owned by KUC yet in use by UCK. These particular costs are managed through the implementation of a Memorandum of Understanding (MOU). The MOU is regularly reviewed and monitored to ensure that it remains commercial and equitable on a cost sharing basis. The MOU ensures that as much as possible both KUC and UCK have certainty of income and expenditures.

Aside from some grant funding that though committed remained unspent at 30 June 2013 the actual incomes and expenditures for the 2013 year are substantially in accordance with the approved 2013 organisational budget and we have met our acquittal commitments for the financial year.

The following Financial Statements are currently not audited. When the audit is completed, it will be formally received by the Uniting Care Kippax Board and the Church Council and then be available for circulation for those who would like a copy.

UnitingCare Kippax
Statement of Financial Position - Unaudited
as at 30 June 2013

	30-Jun-13	30-Jun-12
ASSETS	\$	\$
Current Accounts		
Petty Cash/Cash on Hand	0	200
General/Operating Cash Accounts	108,953	98,621
Investment Bank Accounts	355,891	238,983
Prepayments	3,000	3,000
Accounts Receivable & Prepayments	113,119	50,427
TOTAL ASSETS	580,962	391,231
LIABILITIES		
Current Liabilities		
Loan from Kippax Uniting Church	0	4,183
Employee Provisions (for leave not taken)	48,054	33,417
Provision for Equipment Replacements	0	0
Provision for Audit Fees	0	8,000
Accrued Expenses	20,826	14,885
Credit Card Liability	12,823	2,567
Accounts Payable	227,928	121,587
Contract Funds in Advance of Use	229,659	147,096
Donations in advance of use	41,673	59,497
TOTAL LIABILITIES	580,962	391,232
NET ASSETS	0	0
EQUITY		
Retained Earnings	0	0
Current Year Earnings	0	0
TOTAL EQUITY	0	0

UnitingCare Kippax
 Unaudited Income Statement
 For the Year Ended 30 June 2012

	30-Jun-13	30-Jun-12
INCOME	\$	\$
Offerings & Donations	40,830	50,914
Other Appeals receipts	0	0
Synod Grants	0	0
Interest UCIS and UCIF	15,645	17,019
Grants - private sector	230,176	165,505
Government Grants	825,501	687,495
Other Income	20,110	7,798
Other Income Kippax	33,502	30,000
Grants and Donations Carried Forward	206,593	153,617
Income in Kind	115,975	110,459
Total INCOME	1,488,332	1,222,807
EXPENSES		
Wages	657,222	504,134
Employer Superannuation	58,199	43,196
Provision for LSL Exp	13,339	5,705
Provision for Staff Leave Exp	14,635	-8,421
Consultants and Contractors	33,110	37,124
Workers Compensation Ins	4,524	13,491
FBT expense	1,177	4,709
Staff Travel	4,483	6,148
Staff Development & Training	12,784	14,030
Other Staff Expenses	773	2,030
Rent	69,031	76,593
Property Insurance	3,000	4,324
Total Utilities	8,900	9,038
Trade Repairs & Maintenance	550	357
Handyman' Repairs & Mtce	0	0
Cleaning Costs & Waste Removal	11,000	12,310
Replacement Fittings	0	0
Internal fittings, furnishings	0	0
Provision for Capital Expenditure	11,900	9,974
Program Specific Costs	294,566	253,058
Accounting & Audit Fees	6,000	9,809
Banking Services	1,590	1,896
General Insurance Non-property	0	0
Repairs & Maintenance Non-property	0	0
Computer Expenses	0	2,560
Stationery Copying & Printing	5,009	5,328
Other Office Expenses	0	78

Telephones	7,136	6,131
Postage & Courier	1,286	112
Motor Vehicle Car Expenses	17,535	10,836
Hospitality	1,926	1,555
Advertising	557	1,404
Conferences/Seminars Non-staff	4,520	1,288
Program licence fees	2,042	565
Donations in Advance of Use	41,673	56,077
Grant Income Carried Forward	199,865	137,367
Total EXPENSES	1,488,332	1,222,807
Net Profit / (Loss)	0	(0)

Notes to the Financial Statements

- The Financial Statements are prepared on an accruals basis and both revenue and expenses are recognised when they are receivable and payable.
- Grant funds as well as donations received from the community that have not been expended as at 30 June each year are carried forward to the following financial year. These amounts are reflected as a liability in the Financial Statements and not recognised as income until spent.
- Donations in Kind of both goods and services during the current financial year have been included as a separately reportable amount in the financial statements. Please note this amount records only the value of easily reportable and recordable goods and services and does not attempt to value the time of our many volunteers.
- Provisions have been made in the Financial Statements for unpaid employee benefits as well as for future equipment replacement requirements. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.
- There are no items of property plant and equipment recorded in the financial statements as UnitingCare Kippax does not own assets in its own right. All assets are owned by Kippax Uniting Church and UnitingCare Kippax pays a contribution to the church for the right to use those assets. This is governed by a Memorandum of Understanding between the two entities.
- Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).
- Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the financial statements.
- No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.
- Where necessary the comparative figures for the year ended 30 June 2012 have been adjusted to conform to changes in presentation for the current financial year.

Budget 2014 – to be added