

Association Financial Statements

The Lakes Evangelical Church Inc

ABN 40 227 130 382

For the year ended 31 December 2021

Prepared by Beda Pty Ltd

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Committee's Report

The Lakes Evangelical Church Inc For the year ended 31 December 2021

Committee's Report

Your committee members submit the financial report of The Lakes Evangelical Church Inc for the financial year ended 31 December 2021

Committee Members

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

Committee Member	Position
David Sheath	President
Maurice Wrightson	Treasurer
Michael Lowbridge	Secretary
Greg Mason	Administrator
Lois Asher	Administrator

Principal Activities

The association is established for the principal purpose of conducting the affairs of the church. The mission of the association is: "Building Christ's Church by Proclaiming His Word so that God is Glorified".

Significant Changes

- As at 31 December 2021, Government grants such as JobKeeper and JobSaver have ceased.

Operating Result

The surplus for the financial year amounted to, as per below:

\$311,054

The following are some of the key points from the Financial Reports as at 31 December 2021:

- Total income increased from \$1,228,333 to \$1,342,958
- Giving to the building fund increased from \$311,337 to \$315,257.
- Total operating expenses have increased from \$921,061 to \$1,031,170 mainly due to increases in employment expenses.
- Employee expenses increased from \$572,172 to \$701,572.
- The net surplus for the year was \$311,054
- Cash at bank at the end of the year was \$1,560,052.

COVID-19

After the outbreak of Coronavirus Disease 2019 ("COVID – 19 outbreak") in early 2020, a series of precautionary and control measures have been and continue to be implemented to across the world. The Committee has continued to closely monitor and respond to the impact on the financial position of the Church. As at the date on which this set of financial statements were authorised for issue, the Association was not aware of any material adverse effects on the financial statements as a result of the pandemic.

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:



Michael Lowbridge (Secretary)

Date **04 / 03 / 2022**



Maurice Wrightson (Treasurer)

Date **04 / 03 /2022**

True and Fair Position

The Lakes Evangelical Church Inc For the year ended 31 December 2021

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

I, Maurice Wrightson, being a member of the committee of The Lakes Evangelical Church Inc, certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of The Lakes Evangelical Church Inc during and at the end of the financial year of the association ending on 31 December 2021

Signed: *M Wrightson*

Dated: 04 / 03 / 2022

Certificate By Members of the Committee

The Lakes Evangelical Church Inc

For the year ended 31 December 2021

I, Maurice Wrightson, certify that:

1. I attended the annual general meeting of the association held on [/ /].
2. The financial statements for the year ended 31 December 2021 were submitted to the members of the association at its annual general meeting.

Dated: / /

Auditor's Report

The Lakes Evangelical Church Inc For the year ended 31 December 2021

Independent Auditors Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of The Lakes Evangelical Church Inc (the association), which comprises the committee's report, the assets and liabilities statement as at 31 December 2021, 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 The Lakes Evangelical Church Inc 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 Australian Accounting Standards and the Associations Incorporation Act 2009 (NSW) 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 a true and fair view in all material respects in accordance with the Associations Incorporation Act 2009 (NSW), the financial position of The Lakes Evangelical Church Inc as at 31 December 2021 and 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 Australian Accounting Standards and the Associations Incorporation Act 2009 (NSW).

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 The Lakes Evangelical Church Inc to meet the requirements of the Australian Accounting Standards and the Associations Incorporation Act 2009 (NSW). As a result, the financial report may not be suitable for another purpose.

Dan Kruze

Member of the Institute of Chartered Accountants Australia

Member Number: 434536

Beda Chartered Accountants

Dated: / /

Income and Expenditure Statement

The Lakes Evangelical Church Inc For the year ended 31 December 2021

	2021	2020
Income		
Grant Operating	132,426.00	235,100.00
General Income	755,379.60	598,742.94
Interest Income	427.89	177.26
Missions Income	27,093.25	17,840.20
Designated Giving (MTS Support)	64,300.39	18,829.40
Building Fund Receipts	315,257.81	311,337.41
Ministries Income	47,340.36	36,306.29
Genesis Grant Income	-	10,000.00
Total Income	1,342,225.30	1,228,333.50
Gross Surplus	1,342,225.30	1,228,333.50
Expenditure		
Bank Charges	519.59	472.93
Church Expenses	2,440.54	3,752.05
Council Rates	3,266.57	5,594.87
Depreciation	13,675.47	16,235.45
Electricity & Gas	19,502.91	21,867.02
Employment Expenses	701,572.72	572,172.55
FIEC contributions	17,876.59	4,250.35
General Office Expenses	2,546.69	542.19
Insurances & Licences	32,158.54	22,240.85
Ministry Expenses	6,601.71	5,332.31
Missions Disbursements	27,790.25	27,150.00
Ministry Centre Loan Interest	127,847.62	155,302.21
Other Expenses (GNW, Camps, Departments etc.)	40,161.98	32,813.42
Printing, Postage, Stationery & Computer Costs	12,689.34	16,827.01
Property Maintenance	8,303.11	1,311.23
Telephone & Internet	1,509.99	1,564.67
Music/Sound/AV/IT Expenses	4,133.64	2,152.59
Gas - Ministry Centre	282.17	98.41
Caretaking/Cleaning Expenses	149.35	911.84
Ministry Centre Improvement Expenses	8,141.71	12,127.74
Low Cost Assets	-	18,341.42
Total Expenditure	1,031,170.49	921,061.11
Current Year Surplus/ (Deficit) Before Income Tax Adjustments	311,054.81	307,272.39
Current Year Surplus/(Deficit) Before Income Tax	311,054.81	307,272.39
Net Current Year Surplus After Income Tax	311,054.81	307,272.39

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached auditor's report.

Assets and Liabilities Statement

The Lakes Evangelical Church Inc As at 31 December 2021

	NOTES	31 DEC 2021	31 DEC 2020
Assets			
Current Assets			
Cash and Cash Equivalents	2	1,560,232.52	1,447,444.14
Trade and Other Receivables	3	420.00	-
Total Current Assets		1,560,652.52	1,447,444.14
Non-Current Assets			
Land and Buildings	4	7,226,120.03	7,186,529.33
Plant & Equipment	5	67,679.71	76,345.19
Total Non-Current Assets		7,293,799.74	7,262,874.52
Total Assets		8,854,452.26	8,710,318.66
Liabilities			
Current Liabilities			
Trade and Other Payables			
Accounts Payable	6	18,827.68	14,677.20
When God Speaks Conference	6	6,749.18	6,749.18
Employee Entitlements	7	(2,520.15)	(17,630.71)
ATO Payables	8	(1,750.00)	11,196.00
Total Trade and Other Payables		21,306.71	14,991.67
Total Current Liabilities		21,306.71	14,991.67
Other Current Liabilities			
Loans to offset Ministry Centre loan	9	740,000.00	740,000.00
Ministry Centre Loan (CL)	9	-	291,552.00
Vehicle Loans (CL)	9	7,465.44	7,465.44
Total Other Current Liabilities		747,465.44	1,039,017.44
Non-Current Liabilities			
Other Non-Current Liabilities			
Ministry Centre Loan (NCL)	9	3,589,576.31	3,463,795.12
Vehicle Loans (NCL)	9	19,934.54	27,399.98
Total Other Non-Current Liabilities		3,609,510.85	3,491,195.10
Total Non-Current Liabilities		3,609,510.85	3,491,195.10
Total Liabilities		4,378,283.00	4,545,204.21
Net Assets		4,476,169.26	4,165,114.45
Member's Funds			
Capital Reserve		4,476,169.26	4,165,114.45
Total Member's Funds		4,476,169.26	4,165,114.45

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached auditor's report.

Statement of Cash Flows - Direct Method

The Lakes Evangelical Church Inc For the year ended 31 December 2021

	2021	2020
Operating Activities		
Receipts From Grants	87,150.00	235,100.00
Payments to Suppliers and Employees	(60,989.09)	(46,073.55)
Cash Receipts From Other Operating Activities	1,257,691.12	993,427.19
Cash Payments From Other Operating Activities	(975,424.26)	(848,247.49)
Net Cash Flows from Operating Activities	308,427.77	334,206.15
Investing Activities		
Proceeds From Sales of Property, Plant and Equipment	45.45	3,251.32
Payment for Property, Plant and Equipment	(44,194.32)	(142,289.96)
Net Cash Flows from Investing Activities	(44,148.87)	(139,038.64)
Other Activities		
Other Activities	(151,490.52)	451,407.53
Net Cash Flows from Other Activities	(151,490.52)	451,407.53
Net Cash Flows	112,788.38	646,575.04
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	1,447,444.14	800,869.10
Cash and cash equivalents at end of period	1,560,232.52	1,447,444.14
Net change in cash for period	112,788.38	646,575.04

Movements in Equity

The Lakes Evangelical Church Inc For the year ended 31 December 2021

	2021	2020
Equity		
Opening Balance	4,165,114.45	3,857,842.06
Increases		
Profit for the Period	311,054.81	307,272.39
Total Increases	311,054.81	307,272.39
Total Equity	4,476,169.26	4,165,114.45

Notes to the Financial Statements

The Lakes Evangelical Church Inc For the year ended 31 December 2021

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 Australian Accounting Standards and the Associations Incorporation Act 2009 (NSW). 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.

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.

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.

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.

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.

Income Tax

The Lakes Evangelical Church Incorporated is a non-profit organisation and exempt from income tax under current legislation.

Goods and Services Tax (GST)

These notes should be read in conjunction with the attached auditor's report.

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 assets and liabilities statement.

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.

	2021	2020
2. Cash on Hand		
BFS Offset account	1,375,000.00	1,335,000.00
BFS Online Saving Account	83,387.77	33,827.24
BFS Savings Account	11,333.74	711.02
NAB Building Fund Account	10,138.47	18,159.99
NAB General Account	78,030.42	59,565.89
NAB Expenses Account	2,162.12	-
Petty Cash Float	180.00	180.00
Total Cash on Hand	1,560,232.52	1,447,444.14
	2021	2020

3. Trade and Other Receivables

Accounts Receivable	420.00	-
Total Trade and Other Receivables	420.00	-
	2021	2020

4. Land and Buildings

Land		
Land at Cost	1,193,312.00	1,193,312.00
Total Land	1,193,312.00	1,193,312.00
Buildings		
Buildings at Cost	6,032,808.03	5,993,217.33
Total Buildings	6,032,808.03	5,993,217.33
Total Land and Buildings	7,226,120.03	7,186,529.33
	2021	2020

5. Plant and Equipment, Motor Vehicles

Plant and Equipment		
Plant and Equipment at Cost	98,619.13	93,609.14

These notes should be read in conjunction with the attached auditor's report.

Accumulated Depreciation of Plant and Equipment	(30,939.42)	(17,263.95)
Total Plant and Equipment	67,679.71	76,345.19
Total Plant and Equipment, Motor Vehicles	67,679.71	76,345.19
	2021	2020

6. Trade and Other Payables

Trade Payables		
Accounts Payable	18,827.68	14,677.20
Total Trade Payables	18,827.68	14,677.20
Other Payables		
When God Speaks Conference	6,749.18	6,749.18
Total Other Payables	6,749.18	6,749.18
Total Trade and Other Payables	25,576.86	21,426.38
	2021	2020

7. Employee Entitlements

Superannuation Clearing	17,126.67	12,615.40
MEA & UEA Owing	(19,646.82)	(30,246.11)
Total Employee Entitlements	(2,520.15)	(17,630.71)
	2021	2020

8. ATO Payables

Tax Payable/(Refundable)		
GST	469.00	(628.00)
PAYG Withholding Payable	8,434.00	6,627.00
BAS Amendment	(10,653.00)	5,197.00
Total Tax Payable/(Refundable)	(1,750.00)	11,196.00
Total ATO Payables	(1,750.00)	11,196.00
	2021	2020

9. Loans

Current Liability		
Loans to offset Ministry Centre loan	740,000.00	740,000.00
Ministry Centre Loan (CL)	-	291,552.00
Loan - VW Amarok (CL)	7,465.44	7,465.44
Total Current Liability	747,465.44	1,039,017.44
Non Current Liability		
Ministry Centre Loan	3,589,576.31	-
Ministry Centre Loan (NCL)	-	3,463,795.12

These notes should be read in conjunction with the attached auditor's report.

	2021	2020
Loan - VW Amarok (NCL)	19,934.54	27,399.98
Total Non Current Liability	3,609,510.85	3,491,195.10
Total Loans	4,356,976.29	4,530,212.54

These notes should be read in conjunction with the attached auditor's report.

Depreciation Schedule

The Lakes Evangelical Church Inc For the year ended 31 December 2021

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Office Equipment						
AV Equipment	17,195.08	15,705.78	-	-	1,719.51	13,986.27
Computer Networking	3,570.00	2,053.97	-	-	1,190.00	863.97
Dell Latitude Computer	4,497.00	614.07	-	-	614.07	-
Insulation/Drapes	8,245.91	8,008.60	-	-	274.86	7,733.74
Laser Projector	8,430.00	4,688.47	-	-	2,810.00	1,878.47
Security Installation-Office	4,350.00	3,750.98	-	-	870.00	2,880.98
Shredder	451.82	-	451.82	-	6.56	445.26
Sony Camera	3,234.55	3,199.20	-	-	646.91	2,552.29
Sound and AV Equipment	3,572.52	3,233.81	-	-	357.25	2,876.56
Total Office Equipment	53,546.88	41,254.88	451.82	-	8,489.16	33,217.54
Plant & Equipment						
Air Conditioning	8,400.00	8,324.26	-	-	840.00	7,484.26
AV Camera	3,800.00	-	3,800.00	-	307.12	3,492.88
Chairs	16,968.16	14,266.04	-	-	2,121.02	12,145.02
Kitchen Equipment	6,122.18	5,080.15	-	-	765.27	4,314.88
Kitchen Supplies - Ministry Centre	9,023.74	7,419.86	-	-	1,127.97	6,291.89
V9362 02/09 SOUNDGEAR AUSTRALIA OATLEY 74940521245	758.17	-	758.17	-	24.93	733.24
Total Plant & Equipment	45,072.25	35,090.31	4,558.17	-	5,186.31	34,462.17
Total	98,619.13	76,345.19	5,009.99	-	13,675.47	67,679.71