

Auditor's Independence Declaration

To the Board of

Central Coast Conservatorium Inc.

As auditor for the audit of Central Coast Conservatorium Inc. for the year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2011* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



SAIGE

Sharon O'Malley

Dated: 20/3/17

To the Members,

CENTRAL COAST CONSERVATORIUM INC

Scope

We have audited the accompanying financial report, being a special purpose financial report, of CENTRAL COAST CONSERVATORIUM INC., which comprises the statement of financial position as at 31 December 2016, the statement of financial performance for the year ended 31 December 2016, and accompanying notes.

The CENTRAL COAST CONSERVATORIUM INC.'s committee is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements in Australia and the requirements of the association's constitution so as to present a view which is consistent with our understanding of the CENTRAL COAST CONSERVATORIUM INC INC.'S financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

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

Audit opinion

In our opinion the financial report presents fairly in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and the association's constitution the financial position of CENTRAL COAST CONSERVATORIUM INC as at 31 December 2016 and the results of its operations and its cash flows for the year then ended.



Sharon O'Malley
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20 March 2017

Central Coast Conservatorium Inc.
P.O. Box 1303
Gosford NSW 2250

Statement of Financial Performance.
1/01/2016 through 31/12/2016

Notes	2016	2015	2014	2013	
	Revenue				
1	Conservatorium Tuition	1,297,056	1,270,482	1,336,282	1,225,912
2	Grants	425,361	361,952	351,000	345,000
3	Projects and Concerts	21,850	60,495	40,321	9,456
4	Other Revenue	63,339	39,482	53,983	58,332
	Total Revenue	1,807,606	1,732,411	1,781,586	1,638,701
	Tuition Costs				
	Tutor Payments	975,958	975,130	955,943	910,039
	Department Heads	27,488	26,775	28,943	21,025
	Ensemble Directors Fees	-	16,130	13,660	12,020
	Tutors Travel Subsidy	-	0	18,020	9,207
	School Coordinator	35,746	28,897	19,057	18,480
	Superannuation Tutors	94,864	104,675	80,141	78,152
	Tutor On Costs	1,500	0	5,000	5,000
	Total Tuition Costs	1,135,556	1,151,607	1,120,763	1,053,922
	Gross Surplus	672,050	580,804	660,823	584,779
	Expenses				
	Accountancy	5,027	20,402	4,962	0
5	Administration- Salaries & Superannuation	358,691	337,197	326,752	310,422
	Amortisation	579	545	0	0
	APRA	2,061	2,268	1,533	1,904
	Audit	100	3,000	1,500	1,500
	Bad Debts	25,259	30	1,892	6,816
	Bank Charges	393	9,323	6,249	6,614
	Computer Expenses/Support	6,174	8,393	4,534	0
	Cleaning	3,305	13,803	7,324	10,741
	Consultancy Fees	10,569	7,498	0	0
	Depreciation	24,063	21,487	51,484	7,107
	Electricity	14,417	16,565	15,564	17,976
	Facility Equipment	255	0	1,675	11
	Filing Fees	187	0	86	0
	Freight & Couriers	450	0	0	0
	Ground Maintenance	533	872	550	480
	Hire of Equipment	3,553	0	0	0
	Hire of Venues	2,227	0	0	0
	Insurances	11,376	10,176	12,960	7,331
	Interest Charged	78	1,422	0	0
	Internet	910	1,890	1,517	5,653
	Legal Expenses	2,469	7,430	853	0
	Long Service Leave	991	1,578	1,657	4,500
	Marketing / PR	18,138	14,750	21,808	25,390
	Music Hire/Purchase	1,468	982	1,891	2,086
	Merchant Fees	4,289	0	0	0
	Postage	1,138	846	1,682	3,307
	Printing&Stat./Office supplies	11,734	15,637	14,414	16,646
	R & M - Buildings	2,762	1,986	1,617	1,718
	R & M - Instruments	7,059	5,731	6,460	8,391
	R & M - Plant & Equipment	2,378	3,555	6,311	3,086
	Rates & Rent	72,470	69,194	78,533	73,612
	Recruitment	540	0	0	0
	Scholarships Paid	5,507	5,766	5,330	0
	Security	2,021	1,938	1,934	1,920
	Staff Amenities	3,244	4,633	2,783	1,466
	Subscriptions	3,054	4,667	7,140	3,451
	Software Subscriptions	757	0	0	0
	Sundry Expenses	5,073	1,102	218	1,283
	Telephone	5,585	6,192	6,284	8,287
	Training Programs	2,062	1,080	6,568	1,644
	Travel & Hospitality	334	130	556	3,517
	Tutor Orientation Expenses	244	1,300	0	36
	Workers Compensation	11,450	13,807	11,814	13,878
	Total Expenses	634,974	617,175	616,435	550,773
	Operating Surplus / (Shortfall)	37,076	-36,371	44,388	34,006
	Net Surplus/(Deficit)	37,076	-36,371	44,388	34,006

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Central Coast Conservatorium Inc

Notes to the Statement of Financial Performance as at 31 December 2016

Notes

1	Conservatorium Tuition	
	Tuition Fees	\$1,311,284
	Less Bursaries and Scholarships	<u>(\$14,273)</u>
	Conservatorium Tuition	<u>\$1,297,011</u>
2	Grants	
	50% of 2015/2016 year DEC Grant	\$218,213
	50% of 2016/2017 year DEC Grant	<u>\$207,148</u>
		<u>\$425,361</u>
3	Projects and Concerts	
	Arts NSW 2015	
	Income	\$51,972
	Plus Grant	\$40,000
	Less Expenses	<u>(\$44,172)</u>
		<u>\$47,800</u>
	Other Projects	
	Income	\$48,961
	Plus Donations	\$11,861
	Less Expenses	<u>(\$86,772)</u>
		<u>(\$25,950)</u>
	Total Projects and Concerts	<u>\$21,850</u>
4	Other Revenue	
	Assessment Income	\$6,764
	Hall Rental	\$0
	Instrument Hire	\$28,525
	Interest Received	\$8,755
	Other Revenue	<u>\$19,295</u>
	Total Other Revenue	<u>\$63,339</u>
5	Administration- Salaries & Superannuation	
	Administration Staff wages	\$319,687
	Leave Provision Expense	\$6,067
	Superannuation	\$29,520
	Other Admin Costs	<u>\$3,417</u>
		<u>\$358,691</u>
6	Marketing / PR	
	Program Advertising / PR	\$15,252
	Promotions / Signage	<u>\$2,886</u>
		<u>\$18,138</u>

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Central Coast Conservatorium Inc.

Balance Sheet

as at 31 December 2016

Notes	2016	2015	2014
Assets			
Cash			
Bank - Operating Account	\$197,460	\$36,781	\$220,806
CBA CCSO Support Account	\$41,365	\$0	\$1,548
CCC Business Account	\$58,721	\$155,089	\$666
Bank - LSL Account	\$0	\$19,974	\$28,704
Bank - Development Account	\$0	\$24,237	\$3,884
Greater Bank	\$279,938	\$272,536	\$263,664
Bank - Tuition Fees Account	\$19,934	\$400	\$400
Cash on Hand	\$500	\$450	\$500
Concert Float	\$200	\$0	\$0
Visa CC Prepaid	\$729	\$1,136	\$80
Undeposited Funds	\$45	\$0	(\$942)
Total Cash	\$598,892	\$510,604	\$519,310
Other Current Assets			
1 Accounts Receivable	\$46,129	\$76,370	\$45,189
Accrued Income	\$0	\$1,000	\$83,101
Prepayments	\$12,024	\$10,801	\$9,909
Deposits Paid	\$3,569	\$3,569	\$4,275
	<u>\$61,722</u>	<u>\$91,741</u>	<u>\$142,474</u>
Total Current Assets	\$660,614	\$602,344	\$661,784
Non Current Assets			
Set Up Costs 35 Mann St	\$13,093	\$13,093	\$13,093
Amortisation - Set Up Costs	(\$12,010)	(\$11,469)	(\$10,657)
	<u>\$1,083</u>	<u>\$1,624</u>	<u>\$2,436</u>
Office Furniture and Equipment	\$102,876	\$101,995	\$99,267
Less Accumulated Depreciation	(\$96,541)	(\$93,565)	(\$89,443)
	<u>\$6,335</u>	<u>\$8,429</u>	<u>\$9,824</u>
Musical Instruments & Equipmen	\$290,240	\$250,847	\$239,589
Less Accumulated Depreciation	(\$202,403)	(\$181,857)	(\$174,752)
	<u>\$87,837</u>	<u>\$68,990</u>	<u>\$64,837</u>
Leasehold Improvements	\$2,609	\$2,609	\$0
Less Accumulated Amortisation	(\$540)	(\$244)	\$0
	<u>\$2,069</u>	<u>\$2,365</u>	<u>\$0</u>
Website	\$1,720	\$1,720	\$0
Less Accumulated Amortisation	(\$585)	(\$301)	\$0
	<u>\$1,135</u>	<u>\$1,419</u>	<u>\$0</u>
Total Non Current Assets	\$98,459	\$82,827	\$77,097
Total Assets	\$759,073	\$685,172	\$738,881
Liabilities			
2 Trade Creditors	\$5,006	\$3,539	\$11,052
Other Creditors	\$0	\$3,006	\$0
Accrued BAS	\$46,770	\$38,184	\$49,439
Superannuation Payable	\$31,024	\$35,490	\$54,903
Provision Long Service Leave	\$8,713	\$7,723	\$6,145
Provision for Annual Leave	\$12,325	\$9,274	\$1,602
Provision for Sick Leave	\$22,921	\$19,904	\$11,928
Provision for Audit&Accounting	\$0	\$1,500	\$4,500
3 Provision for Bad Debts	\$20,000	\$2,000	\$2,000
4 Unspent Grants & Donations	\$115,859	\$104,417	\$99,400
Funds in Trust - Dep. Instruments	\$3,464	\$4,404	\$5,812
Provision for Tutor On Costs	\$18,106	\$18,107	\$18,105
Prepaid Fees	\$185	\$0	\$0
Total Liabilities	\$284,373	\$247,547	\$264,886
Net Assets	\$474,700	\$437,624	\$473,995
Equity			
Retained Earnings	\$437,624	\$473,995	\$429,607
Current Year Earnings	\$37,076	(\$36,371)	\$44,388
Total Equity	\$474,700	\$437,624	\$473,995

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Central Coast Conservatorium Inc

Notes to the Statement of Financial Position as at 31 December 2016

Notes

1	Accounts Receivable	
	Schools program (Schools invoiced directly)	\$11,147
	Students	\$29,447
	Other	\$5,535
		<u>\$46,129</u>
2	Carrier (Australia) Pty Ltd	\$435
	Central Coast Council- Wyang	\$20
	Central Coast Leagues Club	\$50
	Colourworks - IS DD	\$781
	Energy Australia	\$838
	PMZ Marketing	\$2,746
	Shred-X Pty Ltd	\$154
	Vinay Srivastava Trading as Mohr Indian Restuarant	(\$18)
	Total:	<u>\$5,006</u>
3	Provision for Doubtful Debts	\$20,000
	At 31 December the value of Accounts Receivable over 90 days was \$38,993. At the date of this report the over 90 days is \$24,089. Whilst every effort, including debt collection, will be persued we believe it prudent to provide for non recoverables.	
4	Unspent grants and Donations	
	DEC Funding	\$90,859
	Sponsorship Received in Advance	\$25,000
		<u>\$115,859</u>

M. Kelly
20/12/17