

**THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022**

**Liability limited by a scheme approved under
Professional Standards Legislation**

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

CONTENTS

Committee's Report	1
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Cash Flow Statement	5
Notes to the Financial Statements	6
Statement by Members of the Committee	11
Auditors' Report	12
Compilation Report	15
Detail Income and Expenditure Statement	16

**THE MULTICULTURAL NETWORK INCORPORATED
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COMMITTEE'S REPORT

Your committee members submit the financial report of the The Multicultural Network 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:

Anne Rogers
Boshra Masri
Loubna Hammoud
Layla Naji
Nga Nguyen
Aunty Lola Simmons
Wafa Zaim

Principal Activities

The principal activities of the association during the financial year were:
to provide support, resources and advocacy for the diverse community in South West Sydney.

Significant Changes

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

Operating Result

The profit after providing for income tax amounted to \$83.82.

Signed in accordance with a resolution of the Members of the Committee.

Committee Member: _____

Layla Naji

Committee Member: _____

Nga Nguyen

Dated this 13 day of September 2022

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Income			
Revenue - Grants received	8	633,053.79	537,208.07
Revenue		105,189.18	60,566.04
Expenditure			
Audit expenses		(3,500.00)	(3,500.00)
Consultant expenses		(105,435.80)	(69,905.55)
Employee expenditure		(438,129.53)	(376,375.94)
Brokerage & Program Support expenses		(54,825.21)	(16,546.32)
Rent & Utility expenses		(71,990.90)	(74,861.41)
Other expenses		(64,277.71)	(54,102.44)
		<u>83.82</u>	<u>2,482.45</u>
Surplus for the Year		<u>83.82</u>	<u>2,482.45</u>
Total comprehensive Surplus for the year		<u>83.82</u>	<u>2,482.45</u>

The accompanying notes form part of these financial statements.

THE MULTICULTURAL NETWORK INCORPORATED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	555,213.92	524,887.10
Receivables	4	46,631.10	36,756.35
TOTAL CURRENT ASSETS		<u>601,845.02</u>	<u>561,643.45</u>
TOTAL ASSETS		<u>601,845.02</u>	<u>561,643.45</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	203,328.91	129,972.42
TOTAL CURRENT LIABILITIES		<u>203,328.91</u>	<u>129,972.42</u>
NON-CURRENT LIABILITIES			
Provisions	6	115,822.84	149,061.58
TOTAL NON-CURRENT LIABILITIES		<u>115,822.84</u>	<u>149,061.58</u>
TOTAL LIABILITIES		<u>319,151.75</u>	<u>279,034.00</u>
NET ASSETS		<u>282,693.27</u>	<u>282,609.45</u>
EQUITY			
Retained earnings	7	282,693.27	282,609.45
TOTAL EQUITY		<u>282,693.27</u>	<u>282,609.45</u>

The accompanying notes form part of these financial statements.

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Retained earnings \$	Total \$
Balance at 1 July 2020		280,127	280,127
Surplus attributable to members		2,482	2,482
Balance at 30 June 2021		282,609	282,609
Surplus attributable to members		84	84
Balance at 30 June 2022		282,693	282,693

The accompanying notes form part of these financial statements.

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	737,852.02	835,601.41
Payments to suppliers and employees	(707,916.15)	(725,761.24)
Interest received	390.95	3,207.66
Net cash provided by operating activities	<u>30,326.82</u>	<u>113,047.83</u>
Net increase in cash held	30,326.82	113,047.83
Cash at beginning of financial year	524,887.10	411,839.27
Cash at end of financial year	<u>555,213.92</u>	<u>524,887.10</u>

The accompanying notes form part of these financial statements.

THE MULTICULTURAL NETWORK INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

The financial statements cover The Multicultural Network Incorporated as an individual entity. The Multicultural Network Incorporated is a not for profit Association incorporated in NSW under the Associations Incorporation Act 2009.

The functional and presentation currency of The Multicultural Network Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

2 Summary of Significant Accounting Policies

Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the cash flow statement are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Superannuation contributions are made by the association to employees superannuation fund and are charged as expense when incurred.

Provisions

Provisions are recognised when the association 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.

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

Critical Accounting Estimates and Judgements

The committee members make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Provision for Annual Leave & Annual Leave Loading

Provision for Long Service Leave

Provision for Maternity Leave

Provision for Redundancy

Provision for Workers Compensation Insurance

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
3 Cash and Cash Equivalents		
Cash at Hand	81.50	81.50
CBA Elect Paymt A/c 0317	16,357.15	10,467.88
St George Term Deposit	305,558.55	305,200.67
CBA Cash Mgt 444	233,026.00	208,867.89
VISA CBA Travel card	190.22	268.66
CBA Chq A/c 779	0.50	0.50
	<u>555,213.92</u>	<u>524,887.10</u>
4 Trade and Other Receivables		
Current		
Sundry Debtors	27,512.50	17,637.75
Rental Bond	18,618.60	18,618.60
Deposit-Electricity	500.00	500.00
	<u>46,631.10</u>	<u>36,756.35</u>
5 Accounts Payable and Other Payables		
Current		
Trade Creditors & Accruals	46,751.04	25,768.83
Grants in Advance	156,577.87	104,203.59
	<u>203,328.91</u>	<u>129,972.42</u>
6 Provisions		
Non-Current		
Provision for Employee Entitlements	115,822.84	149,061.58
	<u>115,822.84</u>	<u>149,061.58</u>
7 Retained Earnings		
Retained earnings at the beginning of the financial year	282,609.45	280,127.00
Net profit attributable to the association	83.82	2,482.45
Retained earnings at the end of the financial year	<u>282,693.27</u>	<u>282,609.45</u>

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
8 Revenue and Other Income		
Revenue		
NSW - DCJ Indexn & ERO	14,286.63	54,921.00
NSW - DCJ Service System Delivery	19,772.00	-
NSW - Communities & Justice DCJ, was FaCS	184,635.04	147,216.45
Dept of Health DOH was DSS	399,762.99	319,370.01
Grants - Non Recurrent	4,999.43	500.00
Grants - Canterbury Bankstown City Council	9,597.70	1,490.00
SACS	-	73,710.61
Unexpended Grant	-	(104,203.59)
GIA Trfs	-	44,203.59
	633,053.79	537,208.07
Total revenue	633,053.79	537,208.07

9 Economic Dependence

The association is dependent upon the ongoing receipt of grant from the Federal Department of Health and State Government as shown in the notes to ensure the continuation of its objectives.

THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 10:


1. Presents a true and fair view of the financial position of The Multicultural Network Incorporated as at 30 June 2022 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that The Multicultural Network Incorporated will be able to pay its debts as and when they fall due.

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

**Committee
Member:**

Layla Ngji

**Committee
Member:**



Dated this 13 day of September 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311****Report on the Audit of the Financial Report****Opinion**

We have audited the accompanying financial report, being a special purpose financial report, of The Multicultural Network Incorporated (the association), which comprises the balance sheet as at 30 June 2022, and the income and expenditure statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

In our opinion, the accompanying financial report of the association for the year ended 30 June 2022 is prepared, in all material respects, in accordance with the Associations Incorporation Act 2009.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Report section of our report. We are independent of the association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

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

Emphasis of Matter- Basis of Accounting

We draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the association in fulfilling the committee's financial reporting requirements under the Association Incorporated Act NSW. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the association and should not be distributed to or used by parties other than the association. Our opinion is not modified in respect to this matter.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act 2009 and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association's financial reporting process.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311****Auditors' Responsibility for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the director with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311**

From the matters communicated with the director, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Name of Firm: Ross Fowler & Co
Chartered Accountants



R B Fowler FCA Registered Company Auditor

Address: 11 Tindale Street Penrith NSW 2750

Dated this 13th day of September 2022

**COMPILATION REPORT
TO THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311**

We have compiled the accompanying special purpose financial statements of The Multicultural Network Incorporated as at 30 June 2022 as set out on pages 16 .

The responsibility of the committee of management

The Committee of Management of The Multicultural Network Incorporated is 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 the financial statements were prepared.

Our responsibility

On the basis of the information provided by the committee of management we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in the notes to the financial statements and APES 315: Compilation of Financial Information.

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

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee of management who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Name of Firm: Ross Fowler & Co
Chartered Accountants



R B Fowler

Address: 11 Tindale Street Penrith NSW 2750

Dated this 13th **day of** September **2022**



THE MULTICULTURAL NETWORK INCORPORATED
ABN 65 336 626 311

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
INCOME		
Income- Zero Barriers	66,682.25	20,000.00
Grants Received (Federal , State & Council)	633,053.79	537,208.07
	699,736.04	557,208.07
OTHER INCOME		
Interest Received	390.95	3,207.66
Other Revenue	31,115.98	7,321.05
Government Assistance	7,000.00	30,037.33
	38,506.93	40,566.04
	738,242.97	597,774.11
EXPENSES		
Audit Fees	3,500.00	3,500.00
Advertising	496.00	425.00
Bookkeeper	1,289.08	7,549.09
Filing Fee	296.66	182.62
Bank Charges	272.68	345.74
Brokerage	19,710.00	12,133.35
Computer Expenses	12,427.60	5,017.27
Catering Expenses	8,498.88	-
Electricity	1,686.86	1,728.70
Venue Hire	2,616.32	1,458.00
Provision for Employee Entitlements	15,898.33	34,106.59
Insurance	5,869.87	5,584.74
Telephone & Internet	3,792.36	5,323.86
General Expenses	4,115.66	2,462.81
Program Cost	35,115.21	4,412.97
Postage, Printing & Stationery	5,452.29	3,955.66
Rent	70,304.04	73,132.71
Repairs & Maintenance	9,967.08	14,605.73
Conference Fee	2,100.00	385.45
Consultant Fees	105,435.80	69,905.55
Staff Training & Amenities	23,186.82	3,310.16
Subscriptions	1,388.27	862.53
Sundry Expenses	430.90	-
Superannuation	35,071.44	27,330.69
Travel Expenses	936.16	526.25
Translation Fees	1,553.00	111.00
Salary & Wages	354,182.23	292,848.50
Website Expenses	3,711.06	5,832.94
Workers Compensation Insurance	8,854.55	18,253.75
	738,159.15	595,291.66
Net Surplus	83.82	2,482.45

The accompanying notes form part of these financial statements.

