

# **Dom Polski Society Co-Operative Ltd**

**A.B.N. 25 277 337 312**

## **FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> OF JUNE 2014**

**Dom Polski Society Co-Operative Ltd**

**A.B.N. 25 277 337 312**

**FINANCIAL ACCOUNTS FOR THE YEAR ENDED  
30TH JUNE 2014**

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**Dom Polski Society Co-Operative Ltd**  
**A.B.N. 25 277 337 312**  
**STATEMENT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

In accordance with a resolution of the Directors pursuant to Section 233 of the Co-operative Act 1997 and it's Regulations and the applicable provision of the Corporations Law

1. (a) The accompanying Statement Of Profit and Loss is drawn up so as to give a true and fair view of the profit or loss of the Society for the financial year ended 30th June 2014;


(b) The accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Society as at the end of the financial year; and

(c) The Statement of Cash Flows gives a true and fair view of the Society's cash flows for the financial year

2. At the date of this statement, there are not reasonable grounds to believe that the Society will not be able to pay its debts as and when they fall due.

This statement is made in accordance with the resolution of the Board of Directors and is signed for and on behalf of the directors by:

Director:   
Krystyna Kubiak

Director:   
Piotr Lesniewski

**Dom Polski Society Co-Operative Ltd**

**A.B.N. 25 277 337 312**

**YEAR ENDED 30TH JUNE 2014**

**DIRECTORS' REPORT**

Your directors submit the financial accounts of the Society for the year ended 30th June 2014. The names of the directors in office at the date of this report are:

Ewa Bartkowiak  
Martin Barski  
Victor Bestecki  
Alex Kaminski (Chairperson)  
Krystyna Kubiak (Treasurer)  
Piotr Lesniewski  
Tadeusz Nasinski  
Wieslaw Pawlowski  
Grazyna Sciezka  
Jacek Sciezka  
Boleslaw Szen  
Genia Walencykiewicz  
Cecylia Zarnowiecki  
Barbara Ziolk

The principal activities of the Society during the financial year were:

to establish, acquire and develop in the State of South Australia, Polish Community settlements.

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

The net profit after providing for abnormal items amounted to \$6,169 (2013 \$1,699). No dividends have been paid or declared since the commencement of the year and the Directors do not recommend the declaration of a dividend.

The issued share capital at the commencement of the financial year was 219,063 shares of \$2 each totalling \$438,127. The issued share capital at the end of the financial year was 219,188 shares of \$2 each totalling \$438,377.

No options to shares in the Society have been granted during the financial year and there were no options outstanding at the end of the financial year.

The directors, before the accounts were made out took reasonable steps to ascertain what action had been taken in relation to the writing off of bad debts and the making of provisions for doubtful debts, and to cause all known bad debts to be written off and adequate provision for doubtful debts.

At the date of this report the Directors are not aware of any circumstances that would render the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent.

The Directors, before the accounts were made out took reasonable steps to ascertain whether any current assets were unlikely to realise in the ordinary course of business their value shown in the accounting records of the Society and, if so, to cause -

- (I) those assets to be written down to an amount that they might be expected to realise,
- or
- (ii) adequate provision be made for the difference between the amount of the value as shown and the amount that they might be expected so to realise.

At the date of this report the Society is able to pay its debts as and when they fall due. The Directors are not aware of any circumstances that would render the values attributed to current assets in the accounts misleading. At the date of this report a charge exists on the assets of the Society. Details of the charge are contained at Note 12. No contingent liabilities exist or have arisen since the end of the financial year other than as detailed in the notes to the accounts. Contingent liabilities as noted in the accounts may be enforceable within the period of twelve months after the end of the financial year.

Since the end of the previous financial year no Director of the Society has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts, or by the fixed salary of a full-time employee of the Society or a related corporation) by reason of a contract made by the Society or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There are no matters or circumstances that have arisen since the end of the financial year that have significantly or may significantly affect except as noted above -

- (i) the operations of the Society;
- (ii) the results of those operations; and
- (iii) the state of affairs of the Society.

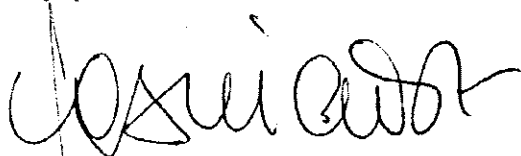
The Board of Directors met 12 times during the financial year. The numbers of meetings attended by each of the directors of the Company during the financial year are:

**NUMBER OF DIRECTORS' MEETINGS**

	ATTENDED	HELD
Ewa Bartkowiak	5	5
Martin Barski	8	15
Victor Bestecki	5	5
Alex Kaminski	13	15
Krystyna Kubiak	8	10
Piotr Lesniewski	10	10
Tadeusz Nasinski	5	5
Wieslaw Pawlowski	14	15
Grazyna Sciezka	6	8
Jacek Sciezka	10	11
Boleslawa Szen	13	15
Genia Walencykiewicz	5	5
Cecylia Zarnowiecki	0	1
Barbara Ziolk	6	11

This statement is made in accordance with the resolution of the Board of Directors made pursuant to Section 236 of the Co-operatives Act 1997 and is signed for and on behalf of the Directors:

Director   
 Krystyna Kubiak

Director   
 Piotr Lesniewski

Dated at Adelaide SA this \_\_\_\_ Day of November 2014

## STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 June 2014

	NOTE	2014 \$	2013 \$
Revenues from Ordinary Activities	2	170,984	177,187
Depreciation and Amortisation Expenses	3	(21,115)	(20,325)
Borrowing Costs Expense	3	(156)	(3)
Other Expenses from Ordinary Activities		(143,543)	(156,777)
Profit/(Loss) from Ordinary Activities			
Before Income Tax Expense	3	6,170	82
Income Tax Expense Relating to Ordinary Activities		(1,851)	(25)
<b>Net Profit from Ordinary Activities after Income Tax Expense Attributable to Members of the Company</b>	12	4,319	57
<b>Total Changes in Equity Other than those Resulting from Transactions with Owners as Owners</b>		4,319	57

The accompanying notes form part of the financial statements

## STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2014

	NOTE	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash Assets	4	41,002	45,428
Receivables	5	3,153	4,859
Other Assets	7	-	-
<b>TOTAL CURRENT ASSETS</b>		<u>44,155</u>	<u>50,287</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	6	3,432,679	3,424,314
<b>TOTAL NON-CURRENT ASSETS</b>		<u>3,432,679</u>	<u>3,424,314</u>
<b>TOTAL ASSETS</b>		<u>3,476,834</u>	<u>3,474,601</u>
<b>CURRENT LIABILITIES</b>			
Payables	8	28,726	28,726
Tax Liabilities	9	1,115	25
<b>TOTAL CURRENT LIABILITIES</b>		<u>26,415</u>	<u>28,751</u>
<b>TOTAL LIABILITIES</b>		<u>26,415</u>	<u>28,751</u>
<b>NET ASSETS</b>		<u>3,450,419</u>	<u>3,445,850</u>

The accompanying notes form part of the financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2014

		2014	2013
	NOTE	\$	\$
<b>SHAREHOLDERS EQUITY</b>			
Contributed Equity	10	438,377	438,127
Reserves	11	2,781,627	2,781,627
Retained Profits	12	230,415	226,096
<b>TOTAL SHAREHOLDERS EQUITY</b>		<u>3,450,419</u>	<u>3,445,850</u>

The accompanying notes form part of the financial statements



Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 June 2014**

	2014	2013
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts from customers</b>		
Fees Received	3,675	3,250
Cleaning Fees	4,843	3,679
Repairs & Maintenance Fees	-	-
	<hr/>	<hr/>
	8,518	6,929
Reimbursements	3,300	-
Arts Club Electricity	5,000	5,000
Arts Club Insurance	4,000	3,500
Arts Club Gas	1,563	1,000
Telephone	346	500
	<hr/>	<hr/>
	14,209	10,000
Overstated Expenses	-	25
Rents Received		
Rent - ARTS Club	33,091	33,091
Business	50,535	60,920
Hall	3,000	2,909
	<hr/>	<hr/>
	86,626	96,920
Hall Hire Fees		
Upstairs	34,828	39,740
Downstairs	14,273	10,403
SPK	749	566
Kitchen	10,656	10,701
	<hr/>	<hr/>
	60,506	61,410
Trade Debtors	-	(773)
	<hr/>	<hr/>
	169,859	174,511

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 June 2014****Other receipts**

Interest Received	1,125	1,903
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**Payments to suppliers and employees**

Accountancy	(1,927)	(1,764)
Advertising & Promotion	(965)	(400)
Auditors Remuneration - Fees	(3,000)	(3,000)
Bank Charges	(410)	(377)
Merchant Fees	-	(485)
Bookkeeping	(2,169)	(2,659)
Cleaning	(15,360)	(14,613)
Decorations	-	(362)
Depreciation	(21,115)	(19,962)
Donations	-	(50)
Electricity	(12,351)	(22,111)
Gas	(1,645)	(3,505)
Functions Coordinator Expenses	(6,465)	(4,987)
Hire of Plant	(418)	(717)
Insurance & Workcover	(17,515)	(16,830)
Land Tax	(25,420)	(25,421)
Legal Costs	-	-
Licences, Registrations, Permits	(221)	(794)
Membership Fees	(290)	-
Newspapers & Magazines	(38)	(64)
NYE Expenses	(176)	(136)
Office Expenses	(1,240)	(1,577)
Overstated Income	-	-
Postage	(529)	(560)
Printing & Stationery	(645)	(1,386)
Rates		
Council Rates	(25,060)	(23,722)
Water	(8,490)	(7,367)
ESL	(169)	(160)
	<hr/>	<hr/>
	(33,719)	(31,249)

## Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 June 2014**

Repairs & Maintenance - Building	(1,259)	(2,737)
Repairs & Maintenance - Plant & Equipment	(9,591)	(12,522)
	(10,850)	(15,259)
Security	(552)	(554)
Service Fees	(4,528)	(2,901)
Subscriptions	(482)	(171)
Sundry Expenses	(606)	(1,975)
Telephone	(2,023)	(3,233)
Waste Disposal	-	-
Trade Creditors	(6,580)	6,327
Other Creditors	2,993	-
Accrued Expenses	-	-
	(168,246)	(170,775)
<b>Other payments</b>		
Income Tax Expense	(1,850)	(25)
Interest	(156)	(3)
Provision for Income Tax	1,090	25
GST on Acquisitions	-	-
GST on Supplies	-	-
	(916)	(3)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	1,822	5,636

**CASH FLOWS FROM INVESTING ACTIVITIES****Proceeds**

Land & Buildings at Cost at Valuation (Note 18)	-	50,000
Less Prov'n for Depreciation	3,622	2,434
Less Prov'n for Depreciation	14,229	14,451
Less Prov'n for Depreciation	805	320
Less Prov'n for Depreciation	2,459	2,757

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 June 2014**

Future Income Tax Benefits	736	-
Other Debtors	1,706	10,244
	<hr/>	<hr/>
	23,557	80,206
<b>Payments</b>		
Capital Improvements - at Cost	(6,066)	(21,481)
Plant & Equipment - at Cost	(20,657)	(5,050)
Office Equipment - at Cost	-	(1,302)
Furniture & Fittings - at Cost	(2,757)	(1,212)
Future Income Tax Benefits	(736)	-
Other Debtors	-	(5,587)
	<hr/>	<hr/>
	(30,216)	(34,632)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<hr/>	<hr/>
	(6,659)	45,574
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Proceeds</b>		
Issued & Paid Capital: Ordinary Shares of \$2	250	150
<b>Payments</b>		
Asset Revaluation Reserve	-	(50,000)
	<hr/>	<hr/>
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	250	(49,850)
	<hr/>	<hr/>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	(4,587)	1,360
CASH AT THE BEGINNING OF THE YEAR	45,428	44,586
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<b>CASH AT THE END OF THE YEAR</b>	40,841	45,946
	<hr/>	<hr/>

Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

**NOTE 1 - STATEMENT OF ACCOUNTING POLICIES**

The accounts have been prepared and presented in accordance with Australian Accounting Standards and except for certain assets at valuation (land and building), are in accordance with conventional historical cost principles.

The accounting policies have been consistent with those of the previous year.

**Income Tax**

The Society prepares its income tax return by reference to the application of the principle of mutuality to the revenue and expense of the society. The principle of mutuality is a common law principle arising from the premise that a person cannot profit from himself. Accordingly, receipts from members are deemed to be mutual income and not subject to income tax, and expenses in connection with mutual activities are also mutual hence not deductible for taxation purposes. All other receipts and payments are classified for taxation purposes in accordance with taxation legislation.

The Society adopts the liability method of tax-effect accounting whereby the income tax expense shown on the profit and loss account is based on the operating profit before income tax adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination operating profit before income tax and taxable income, are brought to account as either provision for deferred income tax or an asset described as future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond any reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Society will derive sufficient future assessable income and comply with the conditions of deductibility imposed by the law to permit a future income tax benefit to be obtained.

**Investments**

Investments brought to account are at cost or at valuation. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of the investments.

Dividends and interests are brought to account when received.

**Inventories**

Inventories are measured at the lower of cost and net realisable value.

**Property, Plant and Equipment**

Property, plant and equipment are brought to account at cost or at independent or directors' valuation, less where applicable any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the expected net cash flows, which will be received from the assets employment and subsequent disposal.

The depreciable amount of all fixed assets and capitalised leased assets, but excluding freehold land and buildings, are depreciated over their useful lives commencing from the time the asset is held ready for use.

Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 June 2014**

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are transferred to the Society are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Employee Benefits

Provision is made in respect of the company's liability for annual leave and long service leave at balance date. Long service leave is accrued in respect of all employees with more than 7 years service with the company.

Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

	2014	2013
	\$	\$
<b>NOTE 2 - REVENUE</b>		
<b>Operating Activities</b>		
Interest	1,125	1,903
Rendering of Service	22,727	16,928
Rent	86,626	96,920
Hall Hire Fees	60,506	61,410
Other	-	-
<b>TOTAL REVENUE</b>	<b>170,984</b>	<b>177,161</b>
<b>Interest from:</b>		
Other Persons	1,125	1,902

**NOTE 3 - PROFIT FROM ORDINARY ACTIVITIES**  
**Profit from ordinary activities before**  
**income tax expense has been determined after:**

**Expenses**

**Borrowing Costs**

Other Persons	156	3
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Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

	2014	2013
	\$	\$
Depreciation Non Current Assets	21,115	20,324

**Bad Debts**

**Remuneration of Auditor**

Audit or Review	3,000	3,000
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**Revenue and Net Gains**

Reimbursements	14,210	10,000
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**NOTE 4 - CASH ASSETS**

Cash in Hand	1,224	1,902
Cash at Bank - NAB	9,778	11,460
S & L - Bus Latitude 04324026	-	1,170
NAB Account 0898	-	2
NAB Term Deposit 1234	30,000	30,000
Undeposited Funds	-	291
Deposits Paid	-	1,773
	<hr/>	<hr/>
	41,002	45,428

**NOTE 5 - RECEIVABLES**

**Current**

Trade Debtors	2,653	2,653
Other Debtors	-	1,706
Unpaid Shares	500	500
	<hr/>	<hr/>
	3,153	4,859



Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 June 2014**

**NOTE 6 -PROPERTY PLANT AND EQUIPMENT**

Land & Buildings at Cost at Valuation (Note 16)	3,250,000	3,250,000
Capital Improvements - at Cost	110,525	104,459
Less Prov'n for Depreciation	13,417	9,795
	97,108	94,664
Plant & Equipment - at Cost	291,339	270,682
Less Prov'n for Depreciation	217,560	203,331
	73,779	67,351
Office Equipment - at Cost	7,875	7,875
Less Prov'n for Depreciation	6,987	6,182
	888	1,693
Furniture & Fittings - at Cost	46,956	44,200
Less Prov'n for Depreciation	36,053	33,594
	10,903	10,606
	182,679	174,314
	3,432,679	3,424,314

**NOTE 7- OTHER ASSETS**

**Current**

GST on Acquisitions

-

-

Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

**NOTE 8- PAYABLES**

**Current**

Trade Creditors	6,130	12,710
Other Creditors	2,993	-
Deposits on Shares	230	230
Loans from Shareholders	22,771	22,771
Loan - Dom Polski Arts Club	(6,824)	(6,985)
GST on Supplies	-	-
	<u>25,300</u>	<u>28,726</u>

**NOTE 9- TAX LIABILITIES**

**Current**

Provision for Income Tax	1,115	25
	<u>1,115</u>	<u>25</u>

**NOTE 10- CONTRIBUTED EQUITY**

Issued & Paid Capital: Ordinary Shares of \$2	438,377	438,127
	<u>438,377</u>	<u>438,127</u>

**NOTE 11- RESERVES**

Asset Revaluation Reserve	2,709,832	2,709,832
Redemption Discount Reserve	12,968	12,968
Capital Profits Reserve	25,834	25,834
Donation Reserve	32,993	32,993
	<u>2,781,627</u>	<u>2,781,627</u>

Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

**Movements during the year**

**Asset Revaluation Reserve**

Opening Balance	2,709,832	2,759,832
Asset Revaluation Reserve	-	(50,000)
Closing Balance	<u>2,709,832</u>	<u>2,709,832</u>

**NOTE 12- RETAINED PROFITS**

Retained Profits (Accumulated Losses) at the Beginning of the Financial Year	226,097	226,040
Net Profit Attributable to Members of the Company	4,318	57
<b>Retained Profits (Accumulated Losses) at the End of the Financial Year</b>	<u>230,415</u>	<u>226,097</u>

**NOTE 13- FINANCING ARRANGEMENTS**

The Society's financing arrangements during the financial year comprised a bank overdraft with the National Australia Bank Ltd and bank accounts with Savings and Loans Credit Union as disclosed on the balance sheet. Security for these facilities is provided by way of first registered mortgage over the Society's land and buildings at 230 Angas Street, Adelaide, South Australia.

**NOTE 14- RELATED PARTY TRANSACTIONS**

Directors:

The names of directors who have held office during the financial year are:

Ewa Bartkowiak  
Martin Barski  
Victor Bestecki  
Alex Kaminski  
Krystyna Kubiak  
Piotr Lesniewski  
Tadeusz Nasinski  
Wieslaw Pawlowski  
Grazyna Sciezka  
Jacek Sciezka  
Boleslawa Szen  
Genia Walencykiewicz  
Cecylia Zarnowiecki  
Barbara Ziolk

Dom Polski Society Co-Operative Ltd

ABN 25 277 337 312

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2014**

Income received or due and receivable by all directors from the Society and any related corporations.

No director received any financial benefit either by way of remuneration, superannuation or retirement benefit.

**NOTE 15- SEGMENT REPORTING**

The Society operates as a Polish Community Co-operative in Adelaide SA.

**NOTE 16- LAND AND BUILDING – AT VALUATION**

The Land and Building of the Society were valued by Tom Rowe and Paul McKay, Certified Practising Valuers on the 28<sup>th</sup> May 2013 for financial accounting purposes, at \$3,250,000 excluding GST. Mr Tom Rowe has advised that a valuation based upon market value method would confirm the carrying value on land and building as disclosed in Note 6 in the accounts.

Kirsten Accountants Pty Ltd  
Taxation and  
Accounting Services  
ABN 29 120 012 697



The Institute of  
Chartered Accountants  
in Australia

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MARDEN SA 5070

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PAYNEHAM SA 5070  
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## INDEPENDENT AUDITOR'S REPORT

To the members of Dom Polski Society Co-Operative Ltd

### *Report on the Financial Report*

We have audited the accompanying financial report of Dom Polski Society Co-Operative Ltd, which comprises of the balance sheet, income statement and statement of changes in equity, cash flow statement, a summary of significant accounting policies plus other explanatory notes and the directors' declaration for the year ended 30 June 2014.

### *Directors' Responsibility for the Financial Report*

The directors of the Dom Polski Society Co-Operative Ltd are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* (Cwlth). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 judgement, 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of financial report.

### ***Independence***

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001* (Cwlth). We confirm that the independence declaration required by the *Corporations Act 2001* (Cwlth), provided to the directors of Dom Polski Society Co-Operative Ltd on 25 November, 2007, would be in the same terms if provided to the directors as at the date of this auditor's report.

### ***Qualification – Donation income and other cash income and Petty Cash Expenses,***

#### ***Donation and other cash Income***

It was not possible to establish accounting control over cash income prior to its receipt in the records of the entity. Accordingly, it was not possible in relation to such income to extend our examination beyond the amounts entered in the records of the entity.

#### ***Petty Cash Expenses***

It was not possible to perform a check of petty cash monies as at 30 June 2014. It was not possible to extend our examination beyond the amounts entered in the records of the entity.

### ***Qualified Auditor's Opinion***

In our opinion subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the Financial Statements of Dom Polski Society Co-Operative Ltd present fairly the assets and liabilities of the entity as at 30 June 2014 and the income and expenditure of the entity for the financial period ended on that date in accordance with the basis of accounting described in Note 1 to the Financial Statements.



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E. D. Kirsten, Director  
Kirsten Accountants Pty Ltd  
294 Payneham Rd  
Payneham SA 5070

31 October 2014

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 June 2014

	NOTE	2014 \$	2013 \$
<b>INCOME</b>			
Fees Received		3,675	3,250
Cleaning Fees		4,843	3,679
Repairs & Maintenance Fees		-	-
		<hr/>	<hr/>
		8,518	6,929
Reimbursements		3,300	-
Arts Club Electricity		5,000	5,000
Arts Club Insurance		4,000	3,500
Arts Club Gas		1,563	1,000
Telephone		346	500
		<hr/>	<hr/>
		14,209	10,000
Interest Received		1,125	1,902
NYE Tickets		-	-
Overstated Expenses		-	26
Rents Received			
Rent - ARTS Club		33,091	33,091
Business		50,535	60,920
Hall		3,000	2,909
		<hr/>	<hr/>
		86,626	96,920
Hall Hire Fees			
Upstairs		34,828	39,740
Downstairs		14,273	10,402
Kitchen		10,656	10,701
SPK		749	567
		<hr/>	<hr/>
		60,506	61,410
		<hr/>	<hr/>
<b>TOTAL INCOME</b>		170,984	177,187
<b>EXPENSES</b>			
Accountancy		1,927	1,764

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 June 2014

	NOTE	2014 \$	2013 \$
Advertising & Promotion		965	400
Auditors Remuneration - Fees		3,000	3,000
Bank Charges		411	377
Merchant Fees		-	485
Bookkeeping		2,168	2,659
Cleaning		15,360	14,613
Decorations		-	363
Depreciation		21,115	19,962
Donations		-	50
Electricity		12,351	22,110
Gas		1,646	3,505
Functions Coordinator Expenses		6,465	4,988
Hire of Plant		418	716
Insurance & Workcover		17,514	16,831
Interest		156	2
Land Tax		25,420	25,421
Legal Costs		-	-
Licences, Registrations, Permits		221	794
Membership Fees		290	-
Newspapers & Magazines		38	64
NYE Expenses		176	136
Office Expenses		1,240	1,577
Postage		528	560
Printing & Stationery		646	1,386
Rates			
Council Rates		25,059	23,722
Water		8,491	7,367
ESL		169	160
		<hr/>	<hr/>
		33,719	31,249
Repairs & Maintenance			
Building		1,259	2,737
Plant & Equipment		9,590	12,522
		<hr/>	<hr/>
		10,849	15,259



Dom Polski Society Co-Operative Ltd ABN 25 277 337 312

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 June 2014

	NOTE	2014 \$	2013 \$
Security		552	554
Service Fees		4,529	2,901
Subscriptions		482	171
Sundry Expenses		606	1,975
Telephone		2,023	3,233
<b>TOTAL EXPENSES</b>		<b>164,815</b>	<b>177,105</b>
<b>OPERATING PROFIT/(LOSS)</b>		<b>6,169</b>	<b>82</b>