

Independent auditor's report to the members of Hobart City Mission Inc.

We have audited the accompanying special purpose financial report of Hobart City Mission Inc. (the Association), which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, and the statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes.

The Board of Management's Responsibility for the Financial Report

The Association's Board of Management is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the *Associations Incorporation Act [Tas]* and are appropriate to meet the needs of the members. This responsibility includes establishing and maintaining internal controls 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. These policies do not require the application of all Accounting Standards and other mandatory financial reporting requirements in Australia.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

We 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 about 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 our 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, we consider internal controls 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 controls.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, 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.

Independence

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Hobart City Mission Inc. as of 30 June 2016 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report is prepared to assist Hobart City Mission to meet the requirements of *Associations Incorporation Act [Tas]*. As a result the financial report may not be suitable for another purpose. Our report is intended solely for Hobart City Mission and should not be distributed to parties other than Hobart City Mission.



JOANNE DOYLE

Partner

Wise Lord & Ferguson

Dated: 13 October 2016

Part 3 - Hobart City Mission Financials

STATEMENT BY OFFICERS

In the opinion of the Hobart City Mission Inc. (HCM) Board of Management, as the body corporate responsible for the administration of the Mission established, constituted and funded pursuant to the Associations Incorporation Act 1964:-

- The accompanying financial statements of the Mission are a special purpose financial report properly drawn up so as to present fairly the financial position of the Mission as at 30 June 2016 and the results of its operations for the year ending on that date in accordance with the Associations Incorporation Act 1964, Australian Accounting Standards, where applicable and other mandatory professional requirements.
- The Mission has been operating in accordance with the provisions of the Rules of Association and Constitution of the Mission as approved pursuant to the Associations Incorporation Act 1964.

HCM is funded from a number of sources including government grants, subsidies, contributions, donations and investment income. Other sources of income include resident fees, client fees, fundraising appeals, trusts and bequests which are also vital to the work of the Mission. HCM supports various programs that receive government grants by way of extra contributions as well as self funding a number of important pilot programs.

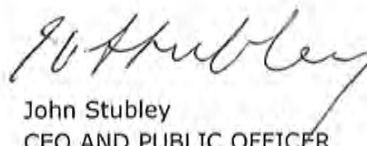
HCM appreciates the generous financial and in-kind support of government, philanthropic trusts, community groups, the corporate sector, churches and individuals which make it possible to run and support many services and programs.

The Board and Management of HCM continue to ensure that long term investment strategies, planning and budgeting processes are in place to ensure the ongoing viability of the many services it provides which enable HCM to meet its objectives. The Board and Management regularly review programs and services to ensure that people in need receive the best support possible.


HCM supporters can be confident that the resources available are properly and efficiently managed.



Barry Neilsen
PRESIDENT
11th October 2016



John Stubley
CEO AND PUBLIC OFFICER
11th October 2016



STATEMENT OF COMPREHENSIVE INCOME
HOBART CITY MISSION INC
Year Ended 30 June 2016

	Notes	Consolidated Group 2016 \$	2015 \$
INCOME			
Fundraising & Donations		460,413	388,649
Grants	1(p)	4,029,663	3,549,449
NDIA Funding		617,295	293,782
Rent of Mission Properties & Transitional Housing		354,632	359,009
Retail Sales		924,498	625,583
Interest Income		25,191	29,223
Other		90,741	76,091
TOTAL INCOME		6,502,433	5,321,786
EXPENDITURE			
Fundraising Outlays		33,246	19,601
Motor Vehicle Costs		44,584	49,038
Property Costs		120,423	218,932
Rents - Retail Outlets		168,109	139,958
Rents - Transitional Housing		77,448	74,694
Staffing Costs		5,028,976	3,945,573
Other - Operating & Welfare Costs		1,017,995	863,378
TOTAL EXPENDITURE		6,490,781	5,311,174
NET SURPLUS/(DEFICIT) FROM OPERATIONS		11,652	10,612
NON OPERATING INCOME			
Trust Fund Allocations		57,600	57,600
Bequests & Donations		112,474	175,279
TOTAL NON OPERATING INCOME		170,074	232,879
NET SURPLUS AFTER NON OPERATING ITEMS		181,726	243,491
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		181,726	243,491

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
HOBART CITY MISSION INC
As at June 30 2016

	Notes	Consolidated Group	
		2016	2015
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash at Bank	2	329,767	227,619
Investments	3	394,827	365,270
Accrued Revenue		25,000	-
Prepayments		35,970	7,510
Sundry Debtors		120,016	46,333
Total Current Assets		905,580	646,732
NON CURRENT ASSETS			
Investments	4	-	70,000
Property, Plant & Equipment	5	6,180,622	6,195,034
Deferred Borrowing Costs		1,544	2,318
Total Non Current Assets		6,182,166	6,267,352
TOTAL ASSETS		7,087,746	6,914,084
LIABILITIES			
CURRENT LIABILITIES			
Employee Entitlements	7	401,671	359,567
Taxation Liability		62,561	36,631
Trust Funds	1(r), 9	123,064	172,445
Other Creditors and Accruals	6	259,112	188,425
Total Current Liabilities		846,408	757,068
NON CURRENT LIABILITIES			
Employee Entitlements	8	132,079	86,983
Murdoch Clarke Mortgage		1,535,000	1,625,000
Property Development Funding		1,012,500	1,065,000
Total Non Current Liabilities		2,679,579	2,776,983
TOTAL LIABILITIES		3,525,987	3,534,051
NET ASSETS		3,561,759	3,380,033
EQUITY		3,561,759	3,380,033

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
HOBART CITY MISSION INC
AS AT 30 JUNE 2016**

		Consolidated Group	
		2016	2015
	Notes	\$	\$
Accumulated Funds Brought Forward		1,664,909	1,421,418
Surplus		<u>181,726</u>	<u>243,491</u>
Accumulated Funds Carried Forward		<u>1,846,635</u>	<u>1,664,909</u>
Redevelopment Reserve		160,620	160,620
Revaluation Reserve Barrack & Goulburn St.	1(s), 5	1,311,089	1,311,089
Revaluation Reserve Main Road Moonah	1(s), 5	<u>243,415</u>	<u>243,415</u>
TOTAL EQUITY		<u>3,561,759</u>	<u>3,380,033</u>

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS
HOBART CITY MISSION INC
As at June 30 2016

	NOTES	Consolidated Group	
		2016	2015
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Operating Grants Received		4,026,668	3,459,814
Receipts from Customers		2,309,773	1,713,913
Interest Received		25,191	29,223
Bequest & Donations		170,074	232,879
Payments to Suppliers and Employees		(6,179,077)	(5,385,094)
Finance costs		(87,566)	(94,604)
Net Cash Inflow (Outflow) from Operating Activities	12(b)	265,063	(43,869)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Payments for Property, Plant & Equipment		(185,146)	(148,051)
Proceeds from Sale of Property, Plant & Equipment		73,146	89,998
Sale of Investment Securities		70,000	-
Net cash inflow (outflow) from investing activities		(42,000)	(58,053)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from Borrowings		-	(25)
Repayment of Borrowings		(90,000)	-
Net Cash Inflow (Outflow) from Financing Activities		(90,000)	(25)
Net (decrease) increase in cash and cash equivalents		133,063	(101,947)
Cash at the beginning of the financial year		591,531	693,478
Cash and Cash Equivalents at the End of Year	12(a)	724,594	591,531

NOTES TO THE FINANCIAL STATEMENTS HOBART CITY MISSION INC FOR THE YEAR ENDED 30 JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES

a) Basis of Accounting

Hobart City Mission Inc. is a body corporate incorporated under the Associations Incorporation Act 1964. In the event of the City Mission being wound up, the liability of members is determined by its constitution. The financial statements, comprising a statement by the officers, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the statements are a special purpose financial report that has been prepared in accordance with the recognition and measurement elements of Australian Accounting Standards, except in the depreciation of buildings, and the requirements of the Associations Incorporations Act 1964. The Directors have decided that these Statements are appropriate to meet the needs of members and grant accountability to donor organisations. The accounting policies based on accrual accounting principles, have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

The financial report has been prepared in accordance with The Associations Incorporations Act 1964 and the following Accounting Standards and other mandatory professional reporting requirements:

AASB 101 Presentation of Financial Statements
AASB 107 Statement of Cash Flows
AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031 - Materiality
AASB 110 - Events After Balance Sheet Date
AASB 1048 Interpretation of Standards
AASB 1054 Australian Additional Disclosures.

b) Principals of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of the entities controlled by Hobart City Mission Inc. at the end of the reporting period. A controlled entity over which Hobart City Mission Inc. has the power to govern the financial and operating policies so as to obtain benefits from its activities. Hobart City Mission Inc.'s consolidated group consists of:

- Hobart City Mission Inc.
- HCM Property Management Pty Ltd as Trustee for
 - Stoke Street Unit Trust
 - Haig Street No. 1 Unit Trust
 - Haig Street No. 2 Unit Trust

In preparing the consolidated financial statements, all intra group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

c) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Grant and donation income is recognised when the entity obtains control over the funds, which is generally at 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.

d) Interest Revenue

This represents the total income earned on specific purpose and other funds available to maximise returns. Internally this interest is apportioned to various programs and trust funds and is recognised in relevant grant acquittal statements as income, where appropriate. It is included in the individual programs operating income when allocated.

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

e) Sale of Non-Current Assets

The net profits/losses of non-current asset sales are included in the Statement of Comprehensive Income at the date control of the asset passes to the buyer. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

f) Income Tax

The Mission is exempt from Income tax.

g) Goods and Services Tax

Revenues, expenses and assets are recognised net of any amount of goods and services tax (GST). 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 Australian Taxation Office is included as a current asset or current liability in the Statement of Financial Position.

h) Cash

Cash is carried at the face value of the amount deposited.

i) Investments

Investments included equity securities of listed and unlisted entities. The company recognises and measures these investments at cost less accumulated impairment losses.

j) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the organisation. Accounts payable are normally settled within 30 days. The carrying amount of accounts payable approximates net fair value.

k) Interest Bearing Liabilities

Loans are carried on the Statement of Financial Position at their principal amount.

l) Property, Plant & Equipment

All property, plant and equipment are initially measured at cost and are depreciated over their useful lives on a straight line basis. Depreciation commences from the time the asset is available for its intended use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

m) Asset Acquisition

All assets acquired, representing property, plant and equipment are initially recorded at their cost of acquisition. Mission premises have been revalued to reflect market value and the revaluation details are clearly shown in the notes and in the Statement of Changes in Equity.

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

n) Depreciation

The components of major assets, that have materially different useful lives, are effectively accounted for as separate assets, and are separately depreciated.

All non-current assets have limited useful lives and are depreciated using the straight-line method over their estimated useful lives. Assets are depreciated from the date of acquisition or project completion. Depreciation rates and methods are reviewed annually for appropriateness. Plant and equipment purchases over \$1,000 are capitalised, assets with a value of \$1,000 or less are expensed.

The depreciation rates used for each class of asset are as follows:

	2016	2015
• Furniture & Equipment	7%-25%	7%-25%
• Computer Equipment	33%	33%
• Motor Vehicles	15%	15%
• Software Development	20%	20%

o) Leases

The Mission leases several properties from the Government and the private sector, to run different programs. The tenants are charged a rental where appropriate and the charges are reviewed periodically.

p) Government and Other Grants

The tables below summarise the distribution of grant funding received in 2014/15 and 2015/16. Note that this table shows the Chaplaincy Grant which runs on a Calendar year and not financial year – therefore Hobart City Mission carried forward 50% of funds into the new financial year.

PROGRAM	TASMANIAN GOVERNMENT	Consolidated Group	
		2016	2015
		\$	\$
Community Integration Program (Group Homes)		2,019,504	1,950,679
Community Access Program (Group Homes)		214,701	133,164
IFSS Partnership		436,795	405,929
CSP - Personal & Family Counselling		109,678	95,063
Premier's Grant - Hobart & Glenorchy Welfare		25,000	25,000
DFACSS		18,532	-
Housing Connect		333,089	291,469
Prison Chaplaincy		-	16,000
ISP Program		472,361	248,989
Small Steps		10,000	-
Property Development – Loan to Grant conversion		42,500	42,500
		3,682,160	3,208,793

Note Continued

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

1. SUMMARY OF ACCOUNTING POLICIES (CONT'D)

		Consolidated Group	
		2016	2015
		\$	\$
PROGRAM	AUSTRALIAN GOVERNMENT		
	DEEWR - Chaplaincy	125,000	40,000
	Cmwlth - Emergency Relief Hobart & Glenorchy	222,503	300,656
		347,503	340,656
	TOTAL GRANT FUNDING RECOGNISED	4,029,663	3,549,449
GRANTS CARRIED FORWARD AS A CURRENT LIABILITY			
PROGRAM			
	Housing Connect – Colony 47	-	10,137
	ISP Worker Receivable	-	(4,456)
	Perpetual – Small Steps	-	10,000
	Chaplaincy Grant Receivable	-	(1,818)
	Emergency Relief	27,868	-
	CSP – Personal and Family Counselling	-	4,981
		27,868	18,844

q) Group Homes

The State Government has provided separate funds to run the Community Integration Program, which are disclosed separately in note 1(p). Some items of equipment originally purchased out of grant monies some years ago have been expensed as the equipment is considered to belong to residents (this has not occurred in recent years). Residents pay for rental to the State Government for the properties leased to them as their residence and for other outgoings required for their day to day living. Group home funding has completed its transition from Grant funding to unit price funding. In addition to this Hobart City Mission now receives day support funding to assist client wellbeing and quality of life.

r) Trust Funds

Where a bequest or donation has been given for specified purposes, or where the Board of Management specifies a purpose for funds received by The Mission, the amount required for expenditure in future periods is carried as a liability shown in the Statement of Financial Position as Trust Funds.

s) Valuation of Non-Current Assets

i) Barrack Street

The carrying value of this property reflects an independent valuation obtained in July 2014.

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

1. SUMMARY OF ACCOUNTING POLICIES (CONT'D)

ii) Lenah Valley Centre

In June 2012 redevelopment of Haig Street commenced, converting the Church into group homes and construction of a new residence. The two lots were valued by an independent valuer in June 2013 and it is this value that is reflected in the Statement of Financial Position. This property was gifted, by Hobart City Mission Inc. to HCM Property Management Pty Ltd. HCM Property Management Pty Ltd is part of the consolidated group.

iii) 11-13 Main Road, Moonah

The carrying value of this property reflects an independent valuation obtained in July 2014.

iv) Stoke Street

The carrying value of this property reflects an independent valuation obtained in July 2014.

v) Other Non-Current Assets

These consist of motor vehicles, furniture and equipment and computer equipment and are maintained at cost values less depreciation allowances which are made in accordance with accounting policy in note 1(m).

t) Employee Entitlements

i) Annual Leave

The provision for employees' entitlements to annual leave represents the amount the Mission has a present obligation to pay, resulting from employees' services up to balance date. The provision is a current liability and has been calculated on current wage and salary rates and in the 2016 financial year includes the provision for superannuation, workers' compensation insurance and leave loading obligations.

ii) Long Service Leave

A liability for long service leave exists for all employees who have completed five years of service. The current liability provision consists of entitlements at current wage and salary rates plus on-costs for superannuation and workers' compensation. On-costs have been included in the calculation of the provision from the 2016 financial year.

u) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures, unless otherwise stated.

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

	Consolidated Group	
	2016	2015
	\$	\$
2. CASH AT BANK		
Bank Accounts	327,037	224,989
Cash Floats	2,730	2,630
Total Cash	329,767	227,619
3. INVESTMENTS (CURRENT)		
Investments	394,827	363,912
Total Investments (Current)	394,827	363,912
4. INVESTMENTS (NON-CURRENT)		
Investments	-	70,000
Total Investments (Non-Current)	-	70,000
5. PROPERTY PLANT & EQUIPMENT		
<i>Buildings</i>		
Barrack Street (Revaluation – July 2014)	1,630,000	1,630,000
Barrack Street Improvements	45,990	6,257
	<u>1,675,990</u>	<u>1,636,257</u>
Haig Street (Revaluation – June 2013)	1,092,000	1,092,000
	<u>1,092,000</u>	<u>1,092,000</u>
Stoke Street (Revaluation – July 2014)	2,200,000	2,200,000
Stoke Improvements	59,107	59,107
	<u>2,259,107</u>	<u>2,259,107</u>
11-13 Main Road, Moonah (Revaluation – July 2014)	790,000	790,000
Moonah Improvements	15,152	
	<u>805,152</u>	<u>790,000</u>
Nugent Land	-	90,000
	<u>-</u>	<u>90,000</u>
Total Buildings	5,832,249	5,867,364

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

	Consolidated Group	
	2016	2015
	\$	\$
5. PROPERTY PLANT & EQUIPMENT (CONT'D)		
<i>Furniture & Equipment</i>		
At Cost	572,048	544,407
Accumulated Depreciation	(445,107)	(400,728)
Total Furniture & Equipment	126,941	143,679
<i>Computer Equipment</i>		
At Cost	261,599	184,981
Accumulated Depreciation	(145,355)	(99,260)
Total Computer Equipment	116,244	85,721
<i>Motor Vehicles</i>		
At Cost	289,598	325,074
Accumulated Depreciation	(185,910)	(240,673)
Total Motor Vehicles	103,688	84,401
<i>Capital Works in Progress</i>		
Work In Progress	1,500	13,869
Total Capital Works in Progress	1,500	13,869
Total Property Plant & Equipment	6,180,622	6,195,034
6. OTHER LIABILITIES		
Trade Creditors	162,910	142,448
Wage Accrual	52,848	17,692
Grants Unexpended	27,868	18,844
Mission Money Outstanding	4,918	4,478
Sundry Accruals	10,568	4,963
Total Other Liabilities	259,112	188,425

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

		Consolidated Group				
		2016	2015			
		\$	\$			
7. EMPLOYEE ENTITLEMENTS (CURRENT)						
Long Service Leave						
Other Mission		53,580	54,653			
Group Homes		<u>53,188</u>	<u>42,282</u>			
		<u>106,768</u>	<u>96,935</u>			
Annual Leave						
Other Mission		202,085	183,607			
Group Homes		<u>92,818</u>	<u>79,025</u>			
		<u>294,903</u>	<u>262,632</u>			
Total Employee Entitlements (Current)		<u>401,671</u>	<u>359,567</u>			
8. EMPLOYEE ENTITLEMENTS (NON-CURRENT)						
Long Service Leave						
Other Mission		100,528	63,683			
Group Homes		<u>31,551</u>	<u>23,300</u>			
Total Employee Entitlements (Non-Current)		<u>132,079</u>	<u>86,983</u>			
9. TRUST FUNDS						
	Bequest Condition or Allocation	Opening Balance	2016 Additional Bequests/ Donations	2016 Draw Down	2016 Notational Interest	Closing Balance 2016
Kathleen Grace Bequest	ER 50% & IFSS 50%	172,445	-	57,600	8,219	123,064
Total		172,445	-	57,600	8,219	123,064

At present for managing purposes all the funds have been classified as current liabilities. However the majority of the capital component of the Kathleen Grace conditional bequest is expected to be progressively applied over a ten year program, having a balance of two years remaining as at 2016.

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

10. MISSION OPERATIONS FROM OTHER PREMISES

The Mission Leases external premises for the Retail Opportunity Shop outlets, in the following locations:

- Warrane
- Huonville
- Goodwood
- Sorell
- Claremont
- Kingston
- Glenorchy

The Mission also operates Retail outlets from its own property being:

- Moonah – both Retail and Furniture warehouse
- Partridge Nest

11. RELATED PARTY TRANSACTIONS

During the course of the financial year Hobart City Mission secured, on a commercial basis, services of organisations in which Members of the Board have a relationship. In all such cases the HCM Boards Conflict of Interest Policy was strictly adhered to and where appropriate members declined to participate in Board discussion and decision making. The related party relationships for which costs were incurred by the Mission declared were:

- Barry Neilsen, Pitt & Sherry Building Surveying, Consulting Engineers with respect to Essential Building Maintenance and Building Surveying.
- Gil Sawford, WLF Accounting & Advisory, Accounting and Taxation Consultants with respect to provision of Audit Services and Taxation advice.
- Damian Egan, Partner of Murdoch Clarke, Barristers and Solicitors and Director of Murdoch Clarke Mortgage Fund, provision of legal advice with respect to Estates and Bequests; and investment of funds in the Murdoch Clarke Mortgage Fund.

All transactions with related parties have been based on normal commercial terms.

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

	Consolidated Group	
	2016	2015
	\$	\$
12. CASHFLOW INFORMATION		
(a) Cash and Cash Equivalents		
Bank Accounts	327,037	224,989
Cash Floats	2,730	2,630
Investments – Murdoch Clarke	394,827	363,912
	<u>724,594</u>	<u>591,531</u>
(b) Reconciliation of cash flow from operations with surplus from operations:		
Surplus for the year	181,726	243,491
Depreciation	109,558	102,699
Profit/Loss on Sale of Assets	16,854	(9,998)
Changes in assets and liabilities		
Decrease / (Increase) in Sundry Debtors	(72,325)	(19,203)
Decrease / (Increase) in Prepayments	(28,460)	1,470
Decrease / (Increase) in Accrued Revenue	(25,000)	-
Decrease / (Increase) in Deferred Borrowing Costs	774	774
(Decrease) / Increase in Taxation Liability	25,930	13,573
(Decrease) / Increase in Provisions	87,200	111,822
(Decrease) / Increase in Trust Funds	(49,381)	(47,135)
(Decrease) / Increase in Other Creditors & Accruals	70,687	(398,862)
Decrease) / Increase in Property Development Fund	(52,500)	(42,500)
	<u>265,063</u>	<u>(43,869)</u>
13. AUDIT REMUNERATION		
Remuneration of the auditor, Wise Lord & Ferguson for: Auditing the financial statements	<u>11,500</u>	<u>11,090</u>
Total	<u>11,500</u>	<u>11,090</u>

**NOTES TO THE FINANCIAL STATEMENTS
HOBART CITY MISSION INC
FOR THE YEAR ENDED 30 JUNE 2016**

14. PARENT ENTITY INFORMATION

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to note 1 for a summary of the significant accounting policies relating to the group.

FINANCIAL POSITION

	2016	2015
	\$	\$
ASSETS		
Current Assets	877,619	716,607
Non – Current Assets	2,829,515	3,507,426
Total Assets	3,707,134	4,224,033
 LIABILITIES		
Current Liabilities	13,354	743,007
Non-current liabilities	132,080	86,983
Total Liabilities	145,434	829,990
 NET ASSETS	3,561,700	3,394,043
 EQUITY	3,561,700	3,394,043
 FINANCIAL PERFORMANCE		
Net Surplus After Non-Operating Items	181,718	261,554
 Other Comprehensive Income	-	-
Total Comprehensive Income	181,718	261,554