

# ***University of the Third Age Brisbane Inc.***

ABN 57 827 746 544

## **Financial Report**

**For the year ended 31st December 2022**

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**University of the Third Age Brisbane Inc.****Balance Sheet****As at 31st December 2022**

	<b>Note</b>	<b>2022</b>	<b>2021</b>
			<b>\$</b>
<b>Current Assets</b>			
Cash Float		-	400
Bank accounts		288,866	243,101
Term Deposits	5	56,551	56,551
Prepayments		-	-
		<u>345,417</u>	<u>300,052</u>
<b>Non Current Assets</b>			
Property Plant & Equipment	7	1,206,181	1,386,477
		<u>1,551,598</u>	<u>1,686,529</u>
<b>Current Liabilities</b>			
Sundry Creditors		31,132	28,700
ROU Lease Liability		152,747	155,154
		<u>183,879</u>	<u>183,854</u>
<b>Non Current Liabilities</b>			
ROU Lease Liability		383,353	536,100
		<u>383,353</u>	<u>536,100</u>
<b>Total Liabilities</b>			
		<u>567,232</u>	<u>719,954</u>
<b>Net Assets</b>			
		<u>984,366</u>	<u>966,575</u>
<b>General Funds</b>			
Balance 1st January 2022		966,575	717,256
Adjustment for prior year ROU Asset		-	83,976
(From) General Contingency Reserve		-	150,000
Surplus for the year		17,791	15,343
Balance 31st December 2022		<u>984,366</u>	<u>966,575</u>
<b>Reserves</b>			
General Contingency Reserve		-	-
<b>Total Equity</b>		<u>984,366</u>	<u>966,575</u>

**University of the Third Age Brisbane Inc.  
Statement of Income & Expenditure  
For year ended 31st December 2022**

	Note	2022	2021 \$
<b>Income</b>			
Membership Subscriptions	4	92,530	115,831
Class Fees		268,555	238,875
Social Committee Functions		3,655	3,165
Interest Received		1,678	1,086
Donations		2,777	3,240
Other Income		6	356
		<u>369,201</u>	<u>362,553</u>
<b>Expenses</b>			
Bank Charges		9,714	9,735
Cleaning		12,029	16,795
Computer Repairs		1,447	1,619
Depreciation	7	158,876	168,483
Electricity		7,731	6,043
Insurance		6,332	6,058
Licence Fees		8,728	9,817
Postage		830	1,111
Printing and reproduction		3,347	2,589
Professional Fees		2,690	2,421
Rent for Premises	9	6,565	7,541
Repairs and Maintenance		6,924	6,298
ROU Interest expense		31,646	37,867
Social Committee Functions		4,156	2,780
Stationery		803	3,217
Telephone		3,070	2,678
Other Expenses		2,113	1,260
<b>Property Expenses</b>			
Body Corporate		51,416	28,696
Rates Water & Sewerage		9,392	8,100
Mortgage Fees		-	502
Property Capital Write Off	7	23,600	23,600
		<u>351,411</u>	<u>347,210</u>
<b>Net Surplus for the year</b>		<u>17,790</u>	<u>15,343</u>

**University of the Third Age Brisbane Inc.**  
**Statement of Cash Flows**  
**For year ended 31st December 2022**

	Note	2022	2021
			\$
<b>Cash Flows from Operating Activities</b>			
Receipts from members		404,803	422,373
Interest & Donations Received		4,623	4,326
Payments to suppliers		(361,662)	(326,044)
<b>Net cash flows from operating activities</b>		<u>47,763</u>	<u>100,655</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of property and equipment		(2,398)	(5,749)
Proceeds on disposal of equipment		-	-
<b>Net cash flows used in investing activities</b>		<u>(2,398)</u>	<u>(5,749)</u>
<b>Cash Flows from Financing Activities</b>			
Loans from Bank		-	-
Repayments of interest and capital		-	(44,386)
<b>Net cash flows used in financing activities</b>		<u>-</u>	<u>(44,386)</u>
<b>Net cash movement</b>		45,365	50,520
<b>Cash at beginning of year</b>		<u>300,052</u>	<u>249,532</u>
<b>Cash at end of year</b>		<u>345,417</u>	<u>300,052</u>

**Reconciliation of net surplus to net cash flow from operations**

<b>Net Surplus for the year</b>	17,790	15,343
Depreciation	158,876	168,483
Property Write Off	23,600	23,600
Increase/Decrease in prepayments	-	(25,344)
Increase / Decrease in Creditors	(152,504)	(81,427)
<b>Net cash flows from operating activities</b>	<u>47,763</u>	<u>100,655</u>

**University of the Third Age Brisbane Inc.**  
**Notes to the Financial Report**  
**For year ended 31st December 2022**

**1. Financial Reporting Framework**

This financial report is a general purpose financial report prepared in accordance with Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012 as appropriate for not-for profit oriented entities.

**2. Significant Accounting Policies**

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant include the estimation of useful lives of assets and related depreciation.

**3. Related Party Disclosures**

Key Management Personnel are those persons with the authority and responsibility for planning, directing and controlling the activities of the Association and comprise the members of the management committee.

No remuneration is paid to members of the management committee. The members of the committee participate in the activities of the Association on the same basis as other members.

**4. Members Subscriptions**

Subscriptions are recognised as income when received.

**5. Mortgages, Charges and Securities**

A mortgage with Bendigo Bank was created on the 2nd December 2019. The funds from this mortgage were used in part payment of the payout of the U3A Brisbane Noteholders Association Inc. The Bendigo Bank mortgage is for a term of 3 years. This loan was paid off in full in June 2021.

As a requirement of the lease of level 5 232 Adelaide St. Brisbane, the Association had to provide in favour of the Landlord, an unconditional bank guarantee without expiry date of three months base rent. Suncorp Bank provides this guarantee in the sum of \$56,551 and hold a term deposit of \$56,551 as sole security against the guarantee.

**6. Income Tax**

The Association is registered as an income tax exempt charitable institution under subdivision 50-B of the Income Tax Assessment Act

**University of the Third Age Brisbane Inc.**  
**Notes to the Financial Report**  
**For year ended 31st December 2022**

**7. Depreciation**

Depreciation is charged to allocate the carrying value over the useful life of the assets. The property is depreciated at 2.5% and equipment, computers and furniture are depreciated at rates varying from 10% to 33%

<b>8. Property Plant &amp; Equipment</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Property 97 Creek St Brisbane	944,336	944,336
Accumulated Capital Write Off	259,600	236,000
	<u>684,736</u>	<u>708,336</u>
Creek St Furniture & Equipment	65,044	65,044
Accumulated Depreciation	48,284	43,655
	<u>16,760</u>	<u>21,389</u>
Adelaide Street Fitout	122,662	122,662
Accumulated Depreciation	120,312	107,394
	<u>2,350</u>	<u>15,268</u>
Adelaide St Furniture & Equipment	112,968	110,788
Accumulated Depreciation	110,853	109,117
	<u>2,115</u>	<u>1,671</u>
Right of Use Asset - Office Lease		
Adelaide St At Cost	1,058,589	1,058,589
Accumulated Depreciation	558,378	418,776
	<u>500,211</u>	<u>639,813</u>
Total Property Plant & Equipment	<u>1,206,172</u>	<u>1,386,477</u>

**9. Property Lease**

A right to use asset has been recognised in relation to the lease of the premises at 232 Adelaide Street. At the lease commencement, a right to use asset and associated lease liability is recognised using the cost model. The right to use asset is amortised using the straight line method and the lease liability is measured at the present value of remaining lease payments.

The comparative figures have been adjusted to reflect the accounting for the right to use asset.

**University of the Third Age Brisbane Inc.  
Committee Declaration**

The members of the Committee declare that in the Committee's opinion:

1. the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012, and other mandatory professional reporting requirements; and
2. the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the financial year ended on that date; and
3. there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulations 2013

On behalf of the Committee

Dated at Brisbane this 17th day of March 2023



Deslyn Taylor

President



Marlene Joan Mackay

Honorary Treasurer

## **Independent Audit Report to the members of University of the Third Age Brisbane Inc.**

### **Report on the Financial Report**

I have audited the financial report of The University of the Third Age Brisbane Inc., which comprises the balance sheet as at 31 December 2022, the statement of income and expenditure and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee declaration.

In my opinion, the accompanying financial report of The University of the Third Age Brisbane Inc is in accordance with the Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- giving a true and fair view of the Association's financial position as at 31 December 2022 and of its performance for the year then ended; and
- complying with Australian Accounting Standards- Simplified Disclosures and Division 60 of the Australian Charities and Not-for-Profits Commission Regulations 2013.

### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Association in accordance with the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Responsibilities of the Committee for the Financial report**

The Committee of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures of the ACNC Act and for such internal control as the committee determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My 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 auditor's report that includes my 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.



## **Independent Audit Report to the members of University of the Third Age Brisbane Inc.**

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee'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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosure and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the committee regarding among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that I identify during my audit.



**Mark O'Shea**

Chartered Accountant, Registered Company Auditor

Dated 17th March 2023

PO Box 10118 Brisbane 4000