

Sapphire Community Projects Incorporated Financial Position

These financial statements Sapphire Community Project Inc (ABN 88 250 179 039) as an individual entity as a not-for-profit association incorporated 21 February 2018 (INC1800235) under the Associations Incorporation Act 2009, NSW.

Sapphire Community Projects has charitable fundraising authority status from Fair Trading NSW with charitable fundraising number CFN/25515 which is in force until 21 January 2025.

This report contains the following financial reports and information:

- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Financial Position
- Statement of Changes of Equity
- Statement of Cash Flows
- Notes Regarding 2020-2021 Financial Year

Statement of Profit or Loss and Other Comprehensive Income

Sapphire Community Projects Inc
Profit and Loss Statement
For the period from 1/7/2020 to 30/6/2021
Cash basis

	30/6/2021	30/6/2020
Income		
Donations And Bequests		
Donations in	13,366.17	10,189.63
Fundraising	16,703.10	23,179.30
Non-Government Grants (accountable)	7,648.00	35,214.58
Non-Government Grants (not accountable) & Sponsorship	50,000.00	3,500.00
Pantry "Membership" optional donation	435.80	1,129.40
Total — Donations And Bequests	88,153.07	73,212.91
Revenue from Government		
Revenue from government (including grants)	6,100.00	13,764.00
Goods or Services		
Association Fees & Pantry Membership (GST)	450.00	38.19
Cost Recovery	135,979.01	121,415.86
Other Services	792.00	-
Training	-	322.45
Vouchers	2,012.50	1,370.00
Total — Goods or Services	139,233.51	123,146.50
Investments		
Interest	37.78	59.69
Total — Income	233,524.36	210,183.10

	30/6/2021	30/6/2020
Less: Expenses		
Employees		
Wages & salaries	46,899.31	25,777.00
Grants and Donations in Australia		
Donations Out	6,210.79	22,467.40
Interest		
Interest Expense	807.75	1,448.26
Other		
Advertising & Promotions	-	445.00
Bank charges	1,225.18	342.23
Equipment	25,884.79	2,062.64
Fittings & Fixtures	12,053.53	243.64
Fixed assets - depreciation	42,415.24	17,090.18
Insurance	5,314.81	2,572.18
Lease liability	16,361.85	15,721.34
Motor vehicle expenses	5,746.17	3,559.15
Operating Costs	13,946.48	10,160.09
Other Expenses	9,474.85	-
Purchases (Stock)	70,168.09	64,717.10
Training	417.61	1,541.24
Utilities	6,051.66	1,144.40
Total — Other	209,060.26	119,599.19
Total — Expenses	262,978.11	169,291.85
Non- assessable non-exempt (NANE) Income		
Other Income - NANE	28,181.82	10,000.00
Net profit (loss)	(1,271.93)	50,891.25

For additional information, see *Notes Regarding 2020-2021 Financial Year*.

Statement of Financial Position

Sapphire Community Projects Inc

Balance Sheet

As at 30/6/2021

Cash basis

	30/6/2021	30/6/2020
Assets		
Cash at bank	99,955.09	103,554.05
Cash on hand	250.00	250.00
Deposits & Bonds	2,100.00	2,100.00
Fixed assets, accumulated depreciation	(77,742.74)	(35,327.50)
Fixed assets, at cost	77,742.74	35,327.50
ROU Lease Asset - 2 Peden St	10,839.81	27,099.81
Stock on hand	8,805.10	8,177.60
Other Current Assets		
Cards & Advances to Staff/Volunteers	44.67	0.98
Gift Cards	2,600.00	-
Total — Other Current Assets	2,644.67	0.98
Total — Assets	124,594.67	141,182.44
Liabilities		
Grants		
Government Grants accountable (unspent)	-	3,600.00
Grants Non-Government accountable (unspent)	-	20,000.00
Total — Grants	0.00	23,600.00
Lease Liabilities		
Lease 2 Peden St LL	10,839.81	27,099.81
Payroll Liabilities		
Payroll liabilities (Income Tax & Superannuation)	1,468.03	481.48
Provision for leave	2,682.46	511.97
Total — Payroll Liabilities	4,150.49	993.45
Tax payable (GST)	(978.00)	(423.31)
Vouchers Outstanding	2,875.00	2,730.00
Total — Liabilities	16,887.30	53,999.95
Net assets	107,707.37	87,182.49
Equity		
Retained earnings	107,707.37	87,182.49
Total equity	107,707.37	87,182.49

Statement of Changes of Equity

Sapphire Community Projects Inc
Statement of Changes in Equity
For the period from 1/7/2020 to 30/6/2021
Cash basis

	30/6/2021	30/6/2020
Retained earnings		
Balance at beginning of period	87,182.49	43,403.21
Profit (loss) for the period	(1,271.93)	50,891.25
DSS 2020 grant	-	(3,600.00)
Error correction adjustment of superannuation	(32.70)	-
Inner Wheel donation towards mobile food pantry	20,000.00	(20,000.00)
Provision for leave	(2,170.49)	(511.97)
Stock on hand adjustment	4,000.00	11,000.00
Stocktake	-	6,000.00
Balance at end of period	107,707.37	87,182.49
Total Equity	107,707.37	87,182.49

Statement of Cash Flows

Sapphire Community Projects Inc
Cash Flow Statement
 For the period from 1/7/2020 to 30/6/2021
 Indirect method

	30/6/2021	30/6/2020
Operating activities		
Net profit (loss)	(1,271.93)	50,891.25
Adjustments to reconcile net profit (loss) to net cash from operating activities		
Bank charges	582.08	-
Cost Recovery	(640.32)	-
Donations in	(4,631.00)	(740.00)
Donations Out	5,625.86	10,332.40
Equipment	175.91	-
Fixed assets - depreciation	42,415.24	17,090.18
Motor vehicle expenses	498.13	367.27
Non-Government Grants (accountable)	-	6,203.98
Other Income - NANE	(890.75)	-
Purchases (Stock)	(851.88)	-
Revenue from government (including grants)	(11.40)	(4,000.12)
Vouchers	(2,012.50)	(1,370.00)
Changes in working capital		
Accounts receivable	-	330.00
Cards & Advances to Staff/Volunteers	(400.00)	(400.00)
Government Grants accountable (unspent)	(3,588.60)	(6,163.88)
Grants auspiced for other organisations (not assessed income)	890.75	-
Grants Non-Government accountable (unspent)	-	(6,658.56)
Payroll liabilities (Income Tax & Superannuation)	953.85	481.48
Tax payable (GST)	(364.66)	(232.56)
Vouchers Outstanding	2,337.50	2,960.00
Cash flows from (used in) operating activities	38,816.28	69,091.44
Investing activities		
Fixed assets, at cost	(42,415.24)	(12,142.18)
Net increase (decrease) in cash held	(3,598.96)	56,949.26
Cash at the beginning of the period	103,804.05	46,854.79
Cash at the end of the period	100,205.09	103,804.05

Notes Regarding 2020-2021 Financial Year

1. Basis of Preparation

This financial covers Sapphire Community Project Inc as an individual entity. The entity is a not-for-profit association incorporated 21 February 2018 (INC1800235) under the Associations Incorporation Act 2009, NSW. The registered address for the association is 25 Surf Circle, Tura Beach, NSW. The principal place of activities is Sapphire Community Pantry, 2 Peden Street, Bega, NSW.

The entity is registered for Goods and Services Tax Purposes (GST) and is endorsed by the Australian Taxation Office for income tax exemptions, GST exemptions and fringe benefit tax (FBT) exemptions. The entity is an endorsed public benevolent organisation and has deductible gift recipient (DGR) status.

The entity has charitable fundraising authority status from Fair Trading NSW with charitable fundraising number CFN/25515 in force until 21 January 2025.

Special Purpose Financial Report

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013.

In the opinion of those charged with the governance, the organisation is not a reporting entity, and the report is prepared to satisfy the financial reporting requirements under the Constitution of Sapphire Community Projects Inc.

Accounting and reports are prepared on a cash basis and uses historic costs that do not take into account of changing money values except where specifically stated.

2. Assets

Fixed assets, accumulated depreciation

Where applicable, assets have been written down using the Australian Government's/ATO's Instant asset write-off for eligible businesses.

Inventory (Stock on hand)

The value shown represents an approximate value of stock on hand. The estimate of stock values is reviewed several times per year and adjusted accordingly.

3. Liabilities

Provision for leave

Includes unused annual leave, parental leave and related entitlements, personal/carer's leave, compassionate leave, and any other entitlement to paid leave. Leave balances are adjusted each pay period, i.e., fortnightly.

4. Income

Donations And Bequests

Donations in

"Donations in" are small donations made by customers shopping at the Community Pantry.

Fundraising

The amount shown is for all receipted donations made to Sapphire Community Projects Inc.

Major donations were received from the Rotary Club of Merimbula, Tiny Zoo, and the Westpac Bank.

PayPal Fees were the only expenses associated with Fundraising. See *Note 7. Fundraising – additional information* for details of these fees.

Non-Government Grants (accountable)

Grants received included:

- St Vincent de Paul Bushfire Recovery Grant – Website and marketing grant \$7,648.00 (Excluding GST)
- Inner Wheel Australia - \$20,000.00 Mobile Pantry grant (Funds provided in June 2020 and spent in the 2020-2021 financial year).

Non-Government Grants (not accountable) & Sponsorship

Grant received from Commonwealth Bank \$50,000.00

Revenue from Government

Revenue from government (including grants)

- Grants received from:
 - DSS Grant 2020 -\$3,600.00 (Funds provided in June 2020 and spent in the 2020-2021 financial year)
- BVSC - Bushfire Recovery Volunteers Event \$2,500.00

5. Expenses

Grants and Donations in Australia

Donations Out

Donations out comprised of:

- Donations of food to other organisations and individuals,
- Donations of goods and gift cards that came into our possession,
- Donations of food vouchers to other organisations or individuals.

It does not include the value of goods and services which were arranged by Sapphire Community Projects Inc which did not come into our possession or passed through the organisation that were not included in inventory (e.g., some of the bushfire emergency donations). The reason for their exclusion was these items were received on an agency basis and were passed on as soon as practicable after receipt. Organisations such as GIVIT, Good360 and Foodbank were instrumental in providing these goods including household items, generators, toilets, building materials and food. The value of these goods and services is estimated at approximately \$120,000 but in many cases the value of individual donations could not be accurately determined or were unknown.

Other

Bank Charges

Bank fees include \$ 17.80 of PayPal fees associated with Fundraising activities.

6. Non- assessable non-exempt (NANE) Income

NANE income includes the following:

- Boosting Cash Flow for Employers (ATO payment to employers for COVID-19) - \$10,000

- Quaama Bushfire Recovery Centre – St Vincent de Paul Canberra/Goulburn Bushfire Grant for the provision of firefighting water trailers \$18,181.82 (Excluding GST). The Quaama Bushfire Recovery Centre was auspiced by Sapphire Community Projects Inc for this project.

7. Fundraising – additional information

The following is a summary of Fundraising income and expenses:

Income	2020-2021	2019-2020
Fundraising	\$16,703.10	\$23,179.30
Total Income	\$16,703.10	\$23,179.30
Expenses		
Bank Charges (PayPal Fees)	\$17.80	\$0.00
Total Expenses	\$17.80	\$0.00
Net surplus from Fundraising (Deficit)	\$16,605.30	\$23,179.30

Compared to the Previous Financial Year

The following table compares our performance to the previous financial year. The categories for Income & Expenses are those used by the ACNC for reporting purposes. In line with ACNC reporting, values for reporting are rounded to the nearest dollar.

Income	2020-2021	2019-2020	Change %	Budget 2021-2022
Total Gross Income From Government Grants	\$6,100	\$13,764	- 44%	\$6,000* ²
Total Gross Income From Donations And Bequests	\$88,153	\$73,213	+ 50%	\$60,000* ²
Total Gross Income From Goods or Services	\$139,234	\$123,146	+ 11%	\$144,000
Total Gross Income From Income Investments	\$38	\$60	- 30%	\$0
Total Gross Income From Other Revenues*¹				\$0
Total Income	\$233,525	\$210,183	+ 21%	\$210,000
Expenses				
Total Expenses From Grants and Donations in Australia	\$6,211	\$22,467	- 67%	\$6,600
Total Expenses From Interest	\$808	\$1,448	- 44%	\$400
Total Expenses Other	\$209,060	\$119,599	+ 75%	\$154,000
Total Expenses From Employees	\$46,899	\$25,777	+ 82%	\$42,000
Total Expenses	\$262,978	\$169,292	+ 56%	\$203,000
Plus Non- assessable non-exempt (NANE) Income*¹	\$28,182	\$10,000	+ 182%	\$0
Net Surplus (Deficit)	(\$1,271)	\$50,591	- 102%	\$7,000

*¹ NANE Income shown separately in our accounts and not included with Association income. It will be included in “Income From Other Revenues” in ACNC income reporting.

*² Donations/grants from either government or non-government sources are highly unpredictable and can range from nothing to tens or hundreds of thousands of dollars. It is not possible to accurately estimate figures for large grants.

Balance Sheet Performance	2020-2021	2019-2020	Change %	Budget 2021-2022
Total Assets * ³	\$124,594	\$141,182	-12%	\$175,000
Total Liabilities * ³	\$16,887	\$53,999	- 69%	\$60,900
Total Equity	107,707	\$87,783	+ 22%	\$114,100

*³ Total Assets and Total Liabilities affected by future asset values and future lease liabilities. It is expected we will be entering into a new lease near the end of the 2021-2022 financial year and the budget figures indicate a figure for the assets & liabilities associated with a new lease. It does not impact the Net Assets/Liabilities.

The 2020-2021 year was a challenging year in several ways. We were coming off a year of massive growth forced upon us by the 2019-20 bushfires which continue to have an impact on the area, rising costs, and increased competition due to the continuance of free food supplied by larger organisations located in Sydney and Melbourne. Probably the biggest impact has been the entrance of new low-cost/free food suppliers in Merimbula and Narooma. Probably a minor impact and hard to measure is the extension of home delivery from major supermarkets to places like Cobargo-Quaama, Bermagui, Wyndham and even Towamba. We no longer see our customers from Bendoc and Braidwood – most likely the long-distance regular visitors have been impacted by COVID-19.

While the 2020-2021 year shows a small loss, this is due to receiving grant funds late in the previous year that were carried over and spent in the 2020-2021 year. A small profit is anticipated for the 2021-2022.

Responsible Persons Declaration

Sapphire Community Projects Inc, ABN 88 250 179 039 for the year ended 30 June 2021

The committee have 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 9:

1. Presents a true and fair view of the financial position of Sapphire Community Projects Inc as at 30 June 2021 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Sapphire Community Project Inc 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:



Christine Welsh
President

Dated: 2/12/21



Peter Buggy
Treasurer

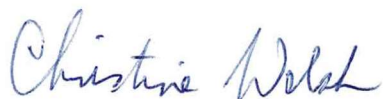
Fundraising Declaration

Sapphire Community Projects Inc, ABN 88 250 179 039 for the year ended 30 June 2021

In the opinion of the committee, the financial report as set out on pages 1 to 9:

1. Presents a true and fair view of all income and expenditure with respect to fundraising appeals.
2. The statement of financial position gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals.
3. The provisions of the Charitable Fundraising Act 1991 (NSW), the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the association.
4. The internal controls exercised by the association are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

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



Christine Welsh
President



Peter Buggy
Treasurer

Dated: 2/12/21



Supporting community