

Frontyard Projects Inc. Income Statement
for period covering 01/01/2017 to 31/12/2017
(in A\$)

Revenues	2016	2017	Expenses	2016	2017
Income	39,157.58	6,606.70	Expenses	32,347.42	3,800.06
<i>Donations for</i>	6,950.57	3,335.66	<i>Current expenses</i>	5,878.26	3,792.76
Cleaning	132.00	66.00	Cleaning	714.00	97.65
Electricity	640.00	575.00	Electricity	561.33	946.37
Equipment	660.00	-	Equipment	811.68	244.00
Events	250.00	-	Events	405.00	-
Food	180.00	290.90	Food	235.10	284.55
Garden	413.00	-	Garden	513.08	-
Insurance	645.00	435.00	Insurance	645.00	492.45
Internet	750.00	325.00	Internet	1,069.58	825.41
Legal fees	-	44.18	Legal fees	-	44.18
Office and workshop supplies	80.00	160.00	Office and workshop supplies	135.38	41.56
Refreshments	180.00	230.00	Refreshments	150.50	90.00
Rent	400.00	295.00	Rent	517.04	517.04
Risograph supplies	-	347.08	Risograph supplies	-	-
Subscriptions	70.57	-	Subscriptions	70.57	-
Transport	50.00	-	Transport	50.00	209.55
Unspecified	2,100.00	267.50	<i>Grant expenses</i>	26,381.16	-
Water	400.00	300.00	Food and refreshments	2,970.00	-
<i>Grant income</i>	29,900.00	-	Insurance	586.16	-
<i>Workshops</i>	1,800.00	1,820.00	Production expenses	22,825.00	-
<i>Venue hire</i>	500.00	1,442.50	<i>Miscellaneous</i>	88.00	7.30
<i>Interest income</i>	7.01	8.54	Surplus for period	6,810.16	2,806.64
			Transfer to		
			<i>Special reserve - CoS research funds</i>	(3,694.79)	(3.66)
			<i>Special reserve - relocation</i>	(2,000.00)	-
			Retained earnings	1,115.37	2,802.98

Frontyard Projects Inc. Balance Sheet

as at 31/12/2017

(in A\$)

NB: The numbers in brackets refer to the corresponding notes.

Assets	2016	2017	Liabilities	2016	2017
Current assets			Accounts payable (8)	299.95	4,500.00
Petty cash (9)	50.80	68.35	Total Liabilities	299.95	4,500.00
Frontyard bank account	3,364.52	10,350.00	Equity (11)		
CoS research funds bank account	3,694.79	3,698.45	Retained earnings	1,115.37	3,918.35
			Special reserve - CoS research funds	3,694.79	3,698.45
			Special reserve - relocation	2,000.00	2,000.00
			Total Equity	6,810.16	9,616.80
Total Assets	7,110.11	14,116.80	Total Liabilities & Equity	7,110.11	14,116.80

Frontyard Projects Inc. Notes
accompanying the Financial Statements
for the period 1/1/2017 - 31/12/2017

- (1) Frontyard Projects Inc. (hereafter, FY) is a non-charitable, not-for-profit and tax-exempt association, incorporated on the 25/1/2016 under the New South Wales *Associations Incorporation Act 2009*. Its vision is to establish a network of people that provides a proactive, flexible space for practical skills-sharing, community and critical research, with arts at its heart. It strives to become Australia's first Not-Only-Artist Run Initiative: using the arts as a catalyst within its neighbourhoods for their future sustainment by aiming to contribute to its neighbourhoods, agitate, facilitate and nurture collaborations between people, work towards a more resilient, independent arts community and lobby local, state and federal governments to increase recognition and support for the arts.
- (2) FY funds its activities mostly through donations of its members and friends, the provision of workshops and venue hire. In 2016, FY had also received a grant from the City of Sydney (CoS) for the Non-Cash Assets Project (NCAP). These funds are subject to the grant's terms and conditions and can only be used for this specific project. See also note (11).
- (3) As a Tier 2 association (annual gross receipts of less than \$250,000 and current assets of less than \$500,000), FY has to only meet the following financial reporting requirements:
The committee must ensure the financial statements for the association, and any trust for which the association acts as a trustee, are prepared as soon as possible after the end of the association's financial year, for submission to the annual general meeting (AGM).
The financial statements must include:
 1. *an income and expenditure statement that sets out appropriately classified individual sources of income and individual expenses incurred in the operation of the association*
 2. *a balance sheet at the end of the financial year, that sets out current and non-current assets and liabilities*
 3. *a separate income and expenditure statement and balance sheet for each trust for which the association is the trustee (not applicable), and*
 4. *details of any mortgages, charges and other securities affecting any property owned by the association (not applicable).*
- (4) As a Tier 2 association, FY's financial statements do not need to be prepared in accordance with the Australian Accounting Standards. However, FY's income statement and balance sheet are prepared following, as far as applicable and subject to cost-benefit considerations, the general principles of Australian Accounting Standards.
- (5) FY's financial statements are not audited. NSW Fair Trading may direct an association to conduct an audit of its financial records and request an auditor's report within a specified period, regardless of whether a tier 1 or tier 2 association or any previous audit.
- (6) FY's financial statements and these accompanying notes have been prepared by the co-treasurers, Thomas Kern and Nicholas McGuigan.
- (7) FY's financial year coincides, according to its constitution (para. 42), with the calendar year. The previous, first financial year extended from FY's incorporation by 25/1/2016 to the end of the calendar year 2016.

- (8) FY's financial statements are, in general, prepared based on cash accounting. Income/expenses are shown in the period where the respective payment occurred. The only exception relates to the balance of accounts payable. A significant amount for providing internet services had not been reimbursed to a member by 31/12/2016 who paid for these in advance. For the financial year 2017, the balance of accounts payable represents in total grant money which FY received from the Inner West Council in December 2017 and holds on behalf of the grant recipients, a group of artists affiliated with FY. The grant money in total will be spent in 2018 according to the project's budget ('Field Trip' project).
- (9) Current assets: A stock-taking of petty cash as per 31/12/2016 had not been undertaken. The 2016 balance was estimated by balancing the amounts as per collected receipts for cash expenditure, cash deposits into the bank account, a list of donations as published on the FY webpage, and cash donations that were collected during events at FY. From February 2017 on, a monthly reconciliation of petty cash has been undertaken.
- (10) Non-current assets: FY's financial statements were prepared under the assumption that it only owns non-current assets of negligible financial value. All furniture, equipment, books, the risograph etc. currently in possession of FY are second-hand and either gifted or borrowed. All newly acquired non-current assets (like a library display cabinet) had cost of less than \$500 and were accordingly expensed. FY does not own real estate property and resides at rented premises.
- (11) Equity: To make transparent the special quality of certain funds, the following reserves had been created within FY's equity as per 31/12/2016:
- 'Special reserve - CoS research funds' of \$3,694.79 which equates to the remaining bank balance for the City of Sydney NCAP grant as per note (2). These funds can only be spent for NCAP related expenses, and are not available for any other FY activities. As per 4/2/2018, the further utilization of these remaining funds has not been determined.
 - 'Special reserve – relocation' of \$2,000.00. This amount is set aside for the event of a cancellation of the lease agreement for FY's premises at 228 Illawarra Rd., Marrickville, which can be cancelled by the landlord on short notice.

Apart from in 2017 accrued bank interest for the CoS research funds of \$3.66 (see a. above) to align the reserve balance with the corresponding bank account balance, the surplus for 2017 was transferred to retained earnings.

Sydney, 26/2/2018


 Thomas Kern (Co-Treasurer)


 Nicholas McGuigan (Co-Treasurer)


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Constance Anthes (Chair of the Committee and Public Officer)


 Sally Chessell (Secretary)