

Frontyard Projects Inc. Income Statement
for period covering 25/01/2016 to 31/12/2016

Revenues		Expenses	
Income	\$39,157.58	Expenses	\$32,347.42
<i>Donations for</i>	<i>\$6,950.57</i>	<i>Current expenses</i>	<i>\$5,878.26</i>
Cleaning	\$132.00	Cleaning	\$714.00
Electricity	\$640.00	Electricity	\$561.33
Equipment	\$660.00	Equipment	\$811.68
Events	\$250.00	Events	\$405.00
Food	\$180.00	Food	\$235.10
Garden	\$413.00	Garden	\$513.08
Insurance	\$645.00	Insurance	\$645.00
Internet	\$750.00	Internet	\$1,069.58
Office and workshop supplies	\$80.00	Office and workshop supplies	\$135.38
Refreshments	\$180.00	Refreshments	\$150.50
Rent	\$400.00	Rent	\$517.04
Subscriptions	\$70.57	Subscriptions	\$70.57
Transport	\$50.00	Transport	\$50.00
Unspecified	\$2,100.00	<i>Grant expenses</i>	<i>\$26,381.16</i>
Water	\$400.00	Food and refreshments	\$2,970.00
<i>Grant income</i>	<i>\$29,900.00</i>	Insurance	\$586.16
<i>Interest income</i>	<i>\$7.01</i>	Production expenses	\$22,825.00
<i>Venue hire</i>	<i>\$500.00</i>	<i>Miscellaneous</i>	<i>\$88.00</i>
<i>Workshops</i>	<i>\$1,800.00</i>	Net income for period	\$6,810.16
		Transfer to	
		<i>Special reserve - CoS research funds</i>	<i>(\$3,694.79)</i>
		<i>Special reserve - relocation</i>	<i>(\$2,000.00)</i>
		Retained earnings	\$1,115.37

Frontyard Projects Inc. Balance Sheet
as at 31/12/2016

Assets		Liabilities	
Current assets		Accounts payable	\$299.95
Petty cash	\$50.80	Total Liabilities	\$299.95
Frontyard bank account	\$3,364.52		
CoS research funds bank account	\$3,694.79	Equity	
		Retained earnings	\$1,115.37
		Special reserve - CoS research funds	\$3,694.79
		Special reserve - relocation	\$2,000.00
		Total Equity	\$6,810.16
<hr/> Total Assets	<hr/> \$7,110.11	Total Liabilities & Equity	<hr/> \$7,110.11

Frontyard Projects Inc. Notes
accompanying the Financial Statements
for the period 25/1/2016 - 31/12/2016

- (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 (hereafter, Act)*. Its vision is to establish a network of people that provides a pro-active, 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. In 2016, FY also received a grant from the City of Sydney 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 interim-treasurers, Thomas Kern and Nicholas McGuigan. Both have only been FY members since February 2017 and had to rely on the records and documentation made available to them by the chair of the committee and the secretary.
- (7) FY's first financial year extends, according to its constitution (para. 42), from its incorporation by 25/1/2016 to the end of the calendar year 2016.
- (8) FY's financial statements are, generally, 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.
- (9) Current assets: A stock-taking of petty cash as per 31/12/2016 was not undertaken. The shown balance has been 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.
- (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, 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 have been created within FY's equity as per 31/12/2016:
 - a. 'Special reserve - CoS research funds' of \$3,694.79 which equates to the remaining bank balance for the City of Sydney grant as per note (2). These funds can only be spent for the NCAP project associated with the grant, and are not available for any other FY activities.
 - b. '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.

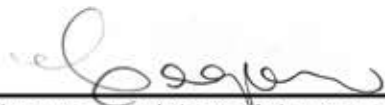
Sydney, 20/3/2017



Thomas Kern (Interim Treasurer)



Nicholas McGuigan (Interim Treasurer)



Clare Cooper (Chair of the Committee)



Constance Anthes (Secretary and Public Officer)

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