

**Frontyard Projects Inc. Income Statement**  
for period covering 01/01/2020 to 31/12/2020  
(in A\$)

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

<b>Revenues</b>	<b>2019</b>	<b>2020</b>		<b>Expenses</b>	<b>2019</b>	<b>2020</b>	
<b>Income</b>	<b>4,961.47</b>		<b>1,665.35</b>	<b>Expenses</b>	<b>4,570.45</b>		<b>2,735.15</b>
<i>Donations for</i>	1,822.72		1,557.98	<i>Current expenses</i>	3,357.59		2,730.75
Cleaning	-	52.00		Cleaning	-	65.15	
Electricity	330.00	140.00		Electricity	740.77	722.83	
Equipment	71.05	18.90		Equipment	178.03	115.90	
Food	100.00	120.00		Food	63.81	-	
Garden	-	230.00		Garden	373.45	110.00	
Insurance	-	300.00		Insurance	650.00	660.00	
Internet	240.69	432.19		Internet	780.57	751.16	
Legal fees	46.18	47.19		Legal fees	46.18	47.19	
Office and workshop supplies	100.00	10.00		Office and workshop supplies	-	-	
Refreshments	184.95	10.00		Refreshments	7.75	-	
Rent	200.00	170.00		Rent	517.03	258.52	
Risograph supplies	240.00	-		Risograph supplies	-	-	
Transport	-	-		Transport	-	-	
Unspecified	209.85	27.70		<i>Grant expenses (9c)</i>	1,200.00		-
Water	100.00	-		Production expenses	1,200.00		-
<i>Contributions to running costs</i>	760.00		100.00	<i>Miscellaneous</i>	12.86		4.40
<i>Grant income (9a)</i>	2,000.00		-	<b>Surplus/(Deficit) for period</b>	<b>391.02</b>		<b>(1,069.80)</b>
<i>Grant administration (9b)</i>	368.56		-	<b>Transfer from (+) / to (-)</b>			
<i>Workshops</i>	-		-	<i>Special reserve - CoS research funds (13a)</i>	1,198.50		(0.81)
<i>Interest income</i>	10.07		7.21	<b>Retained earnings</b>	<b>1,589.52</b>		<b>(1,070.61)</b>
<i>Other Income</i>	0.12		0.16				

**Frontyard Projects Inc. Balance Sheet**  
as at 31/12/2020  
(in A\$)

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

<b>Assets</b>	<b>2019</b>	<b>2020</b>	<b>Liabilities</b>	<b>2019</b>	<b>2020</b>
<i>Current assets</i>	9,123.36	15,553.56	<i>Current liabilities</i>	-	7,500.00
Petty cash (10)	227.45	120.75	Accounts payable	-	-
Frontyard bank account	7,749.67	14,429.23	Grant monies (12)	-	7,500.00
CoS research funds bank account	1,002.77	1,003.58	<b>Total Liabilities</b>	<b>-</b>	<b>7,500.00</b>
Accounts receivable (8)	143.47	-	<b>Equity (13)</b>		
<i>Non-current assets</i>	1.00	1.00	Retained earnings	6,121.59	5,050.98
Library (11b)	1.00	1.00	Special reserve - CoS research funds	1,002.77	1,003.58
			Special reserve - relocation	2,000.00	2,000.00
<b>Total Assets</b>	<b>9,124.36</b>	<b>15,554.56</b>	<b>Total Equity</b>	<b>9,124.36</b>	<b>8,054.56</b>
			<b>Total Liabilities &amp; Equity</b>	<b>9,124.36</b>	<b>15,554.56</b>

**Frontyard Projects Inc. Notes**  
accompanying the Financial Statements  
for the period 1/1/2020 - 31/12/2020

- (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 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, and contributions to running costs by event partners. 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 (13).
- (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, with the calendar year.
- (8) fy's financial statements are, in general, prepared based on cash accounting. Income/expenses are shown in the period where the respective payments occurred with the following exception:  
In November 2019, fy received from its electricity provider a credit of \$200 for referring a new customer which was recognised as a donation and can be used to offset electricity charges. The remaining credit as per 31/12/2019 is shown as the balance of accounts receivable and was completely used in 2020.
- (9) Income statement:
  - a. In April 2019, fy received a discretionary grant of \$2,000 from the Sidney Myer Fund, Sydney, without any conditions attached. This grant is shown as grant income.
  - b. fy auspices grants for projects of affiliated recipients that align with fy's objects and values. Monies earned for the administration of these grants are shown as grant administration income.
  - c. In 2019, Phase III of the NCAP was undertaken which led to grant expenses of \$1,200. These expenses are covered by the special reserve as per note (13). Without these expenses, fy would have shown a surplus of \$1,591.02 for the financial year 2019.
- (10) Current assets: In order to document cash donations that are collected during events at fy and to ensure an orderly documentation of petty cash spent, a monthly reconciliation of petty cash is undertaken.
- (11) Non-current assets:
  - a. General policy: fy's financial statements are prepared under the assumption that it only owns non-current assets of negligible financial value. All furniture, equipment, kitchen accessories, garden tools, 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.
  - b. Notwithstanding a., fy committee reserves the option to show non-current assets on the balance sheet with a symbolic amount of \$1 in order to recognise their invaluable value for the fy community. In 2019, the library as a whole was recognised as such an invaluable asset against Retained earnings.
- (12) Liabilities: fy auspices grants for projects of affiliated recipients that align with fy's objects and values. Grants received and administered on behalf of the grant recipients are shown with their remaining balances as per reporting date as liabilities under Grant monies.
- (13) 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:
  - a. 'Special reserve - CoS research funds' of initially \$3,694.79 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. To align the reserve balance with the corresponding bank account balance \$0.81 (accrued bank interest) were transferred to this reserve at the end of the financial year.

- 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.

Taking into account the transfer to the 'Special reserve - CoS research funds' as per above a., the balance of (\$1,070.61) was charged to retained earnings. This decrease in retained earnings represents fy's operating deficit for the financial year 2020.

Sydney, 05/02/2021



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Thomas Kern (Co-Treasurer)



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Nicholas McGuigan (Co-Treasurer)

We certify that these financials statements and notes give a true and fair view of the financial performance and position of Frontyard Projects Inc during and at the end of the financial year of the association ending 31<sup>th</sup> December 2020.

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

Sydney, 16/03/2021



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Julia Bavyka  
(Co-Chair of the Committee)



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Carolyn Mckenzie Craig  
(Co-Secretary)