

TREASURER REPORT

I am very pleased to present the 2020 financial report for Craft ACT: Craft and Design Centre. Our auditor, Vincents, has issued an unqualified audit opinion and this report represents a true and fair view of the financial position of Craft ACT. In the Board of Management's opinion there are reasonable grounds to believe that Craft ACT: Craft and Design Centre will be able to pay its debts as and when they become due and payable.

Craft ACT has had another successful year in securing grants, sponsorship, ticket sales, donations and commissions. In addition, our membership base has risen again to record highs in response to the increased benefits to membership holders. These are outstanding achievements in the context of the uncertainty brought by the global pandemic throughout the year.

In 2020, Craft ACT: Craft and Design Centre finished the year with a \$199,721 surplus. This was largely the result of Federal and Territory government support due to covid-19: ACT Property group waived rent on our North Building premises, the Australian Taxation Office provided a cashflow boost, and we received JobKeeper throughout the year. The total for Cashflow boost and job keeper was \$220,000. The auditors have confirmed that Craft ACT was eligible for all these payments.

Craft ACT self-generated revenue remained strong across diverse sources: membership income, retail and gallery sales and ticketing revenue. It is imperative to acknowledge and thank our members, sponsors, supporters and donors for their important ongoing contributions. To better support our members and staff, new energy efficient gallery lighting was purchased to improve the delivery of our artistic programs and improve WHS.

The global pandemic has had consequences for Craft ACT. Some expenses have been postponed until 2021 and as a result the income to support these projects has been carried over. Insurance costs have increased due to the impact of Covid-19; however travel costs have declined as borders were closed. There has been an increase in transportation costs as Craft ACT toured the Glass Utopia exhibition to Tasmania and Italy.

I would like to take this opportunity to thank our CEO Rachael Coghlan and the Craft ACT staff who have produced an amazing year of results both financial and non-financial. I will also note that this will be my last year as Treasurer for Craft ACT. I have enjoyed my time supporting this vital and growing organization but after 5 years in this voluntary position it is time for me to move on.



SIGNED: _____
Sam Bryant, Treasurer

DATED: _____ 22/3/2021 _____

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

Financial Statements

For the Year Ended 31 December 2020

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

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Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

Board of Management Report For the Year Ended 31 December 2020

The Board of management members present their report on Craft ACT Craft And Design Centre Incorporated for the financial year ended 31 December 2020.

Board of management

The names of the committee members in office at the date of this reports are:

Names	Position
Rebecca Coronel	President (from March 2020)
Sam Bryant	Treasurer
Jennie Cameron	Member
Gilbert Riedelbauch	Member
Julie Ryder	Member
Jenny Edwards	Member (since March 2020)
Laura Crick	Secretary and public officer (since March 2020)
Rachael Coghlan (ex officio)	Member (non-voting)
Graham Humpries	President (retired March 2020), Immediate Past President (non-voting)
Sari Sutton	Secretary (retired March 2020)
Andrea Ho	Member (retired March 2020)
Rob Henry	Member (retired March 2020)

Principal activities


The principal activities of Craft ACT Craft And Design Centre Incorporated during the financial year were to promote quality and excellence in craft and design and to provide a source of information on craft and design in the Australian Capital Territory.

No significant changes in the nature of the Association's activity occurred during the financial year.

Operating result

The surplus of the Association for the financial year amounted to \$ 199,721 (2019: \$ 74,658).

Signed in accordance with a resolution of the Members of the Committee:



Committee member:



Committee member:

Dated this 22 day of March 2021

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Craft ACT Craft And Design Centre Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Vincent's Audit Pty Ltd

Phillip Miller
Director

Canberra

Craft ACT Craft And Design Centre Incorporated

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

		2020	2019
	Note	\$	\$
Revenue and other income	5	1,092,618	904,656
Interest revenue calculated using the effective interest method		1,119	4,108
Cost of sales		(32,505)	(10,817)
Employee benefits expense		(438,646)	(401,495)
Depreciation and amortisation expense		(14,904)	(5,134)
Administration expenses		(407,924)	(416,454)
Finance leases		(37)	(206)
Surplus before income tax		199,721	74,658
Income tax expense		-	-
Surplus for the year		199,721	74,658
Other comprehensive income for the year		-	-
Total comprehensive income for the year		199,721	74,658

The accompanying notes form part of these financial statements.

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

Statement of Financial Position

As At 31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	722,604	425,613
Trade and other receivables	7	-	121,007
Inventories	8	15,880	18,323
Other assets	10	11,705	22,884
TOTAL CURRENT ASSETS		750,189	587,827
NON-CURRENT ASSETS			
Property, plant and equipment	9	35,214	22,961
TOTAL NON-CURRENT ASSETS		35,214	22,961
TOTAL ASSETS		785,403	610,788
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	54,349	44,602
Borrowings	12	-	1,139
Employee benefits	14	31,084	24,728
Contract liabilities	13	150,386	190,456
TOTAL CURRENT LIABILITIES		235,819	260,925
TOTAL LIABILITIES		235,819	260,925
NET ASSETS		549,584	349,863
EQUITY			
Retained earnings		549,584	349,863
TOTAL EQUITY		549,584	349,863

The accompanying notes form part of these financial statements.

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

Statement of Changes in Equity For the Year Ended 31 December 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2020	349,863	349,863
Surplus for the year	199,721	199,721
Balance at 31 December 2020	549,584	549,584

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2019	275,205	275,205
Surplus for the year	74,658	74,658
Balance at 31 December 2019	349,863	349,863

The accompanying notes form part of these financial statements.

Craft ACT Craft And Design Centre Incorporated

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Statement of Cash Flows For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	976,223	903,466
Payments to suppliers and employees	(652,054)	(863,023)
Interest received	1,119	4,108
Net cash provided by operating activities	<u>325,288</u>	<u>44,551</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(27,158)</u>	-
Net cash used in investing activities	<u>(27,158)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	<u>(1,139)</u>	(1,810)
Net cash used in financing activities	<u>(1,139)</u>	(1,810)
Net increase in cash and cash equivalents held	296,991	42,741
Cash and cash equivalents at beginning of year	<u>425,613</u>	<u>382,872</u>
Cash and cash equivalents at end of financial year	6 <u><u>722,604</u></u>	<u>425,613</u>

The accompanying notes form part of these financial statements.

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

Notes to the Financial Statements For the Year Ended 31 December 2020

The financial report covers Craft ACT Craft And Design Centre Incorporated as an individual entity. Craft ACT Craft And Design Centre Incorporated is a not-for-profit Association, registered and domiciled in Australia.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 New Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identified the contract with a customer, identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised

Craft ACT Craft And Design Centre Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2020

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue from contracts with customers

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other income

Other income is recognised when it is received or when the right to receive payment is established.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Inventories

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

Notes to the Financial Statements

For the Year Ended 31 December 2020

3 Summary of Significant Accounting Policies

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Display equipment	27%
Furniture, Fixtures and Fittings	15%
Office Equipment	18%-25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost

Notes to the Financial Statements

For the Year Ended 31 December 2020

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Notes to the Financial Statements

For the Year Ended 31 December 2020

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and finance lease liabilities.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Leases

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases

Notes to the Financial Statements

For the Year Ended 31 December 2020

3 Summary of Significant Accounting Policies

(h) Leases

with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

(j) Contract assets

Contract assets are recognised when the Association has transferred goods or services to the customer but where the Association is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

(k) Contract liabilities

Contract liabilities represent the Association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Association has transferred the goods or services to the customer.

4 Critical Accounting Estimates and Judgements

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Craft ACT Craft And Design Centre Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2020

5 Revenue and Other Income

Revenue from continuing operations

	2020	2019
	\$	\$
Revenue from contracts with customers		
- Sale of goods	134,457	101,971
Grants		
- Arts ACT - Core Grant	216,743	212,763
- Arts ACT - DESIGN Canberra	100,000	100,000
- Arts ACT - VACS	49,000	49,000
- Arts ACT - Community Outreach Arts Funding	-	22,013
- Australia Council - Core Grant	97,878	96,910
- Australia Council - VACS	38,743	38,131
- City Renewal Authority - Grant	50,000	50,000
- Grants - Other	-	4,650
Total grants	552,364	573,467
Other Income breakup		
- Membership subscriptions	40,086	41,970
- Sponsorship - Design Canberra	120,540	175,224
- Sponsorship - AIR	5,000	5,000
- Cash flow boost	100,000	-
- JobKeeper support	121,200	-
- Other income	391	1,909
- Donations & fundraising	1,582	5,115
- Donation Design Canberra - Glass Utopia	16,998	-
	405,797	229,218
Total revenue and other income	1,092,618	904,656

6 Cash and Cash Equivalents

Cash at bank and in hand	342,604	345,613
Short-term deposits	380,000	80,000
	722,604	425,613

7 Trade and Other Receivables

CURRENT		
Trade receivables	-	121,007

8 Inventories

At cost:		
Wholesale shop stock at cost	15,880	18,323

Craft ACT Craft And Design Centre Incorporated

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**Notes to the Financial Statements
For the Year Ended 31 December 2020**

9 Property, plant and equipment

	2020	2019
	\$	\$
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	3,995	3,995
Accumulated depreciation	(3,995)	(3,995)
Display equipment		
At cost	18,806	18,806
Accumulated depreciation	(18,806)	(18,546)
Total plant and equipment	<u>-</u>	<u>260</u>
Furniture and fittings		
At cost	50,637	35,600
Accumulated depreciation	(35,977)	(31,623)
Total furniture, fixtures and fittings	<u>14,660</u>	<u>3,977</u>
Office equipment		
At cost	109,519	97,400
Accumulated depreciation	(88,965)	(78,676)
Total office equipment	<u>20,554</u>	<u>18,724</u>
Total property, plant and equipment	<u><u>35,214</u></u>	<u><u>22,961</u></u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Display equipment	Furniture and Fittings	Office Equipment	Total
	\$	\$	\$	\$
Year ended 31 December 2020				
Balance at the beginning of year	260	3,977	18,724	22,961
Additions	-	15,037	12,120	27,157
Depreciation expense	(260)	(4,354)	(10,290)	(14,904)
Balance at the end of the year	<u>-</u>	<u>14,660</u>	<u>20,554</u>	<u>35,214</u>

Craft ACT Craft And Design Centre Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2020

10 Other Assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	11,323	10,384
Accrued income	382	12,500
	<u>11,705</u>	<u>22,884</u>

11 Trade and Other Payables

CURRENT		
Trade payables	23,925	29,222
Sundry payables and accrued expenses	17,884	5,100
Other payables	12,540	10,280
	<u>54,349</u>	<u>44,602</u>

12 Borrowings

CURRENT		
Secured liabilities:		
Lease liability secured	-	1,139
	<u>-</u>	<u>1,139</u>

Leased liabilities are secured by the underlying leased assets.

13 Contract Liabilities

CURRENT		
Government grants and other income in advance	150,386	190,456
	<u>150,386</u>	<u>190,456</u>

14 Employee Benefits

Current liabilities		
Annual leave	31,084	24,728
	<u>31,084</u>	<u>24,728</u>

15 Leasing Commitments

Minimum lease payments:		
- not later than one year	-	1,176
	<u>-</u>	<u>1,176</u>

A lease is in place for the phone system and has a term of 36 months.

16 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Association is \$ 228,220 (2019: \$ 215,210).

Craft ACT Craft And Design Centre Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2020

17 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 31 December 2020 (31 December 2019: None).

18 Related Parties

(a) The Association's main related parties are as follows:

The Board of management members of the Association who held office during any part of the financial year are as follows:

Rebecca Coronel

Sam Bryant

Jennie Cameron

Gilbert Riedelbauch

Julie Ryder

Jenny Edwards

Laura Crick

Rachel Coghlan (ex-officio)

Graham Humpries

Sari Sutton

Andrea Ho

Rob Henry

No related party transactions occurred during the year. The Board of management members do not receive remuneration.

Key management personnel - refer to Note 16.

19 Impacts of COVID-19

The impact of COVID 19 has been raised and considered by the Craft ACT: Craft and Design Centre Incorporated (Craft ACT) Board at every Board meeting since the pandemic began. Craft ACT's financial position has not been affected by the impact of the COVID-19 pandemic. There was no interruption or change to the standard payment of Craft ACT's core funding throughout the COVID period, and the Association received additional government support including JobKeeper, Cash flow boost, and a freeze on rental payments. COVID-19 has also not impacted on the ability of Craft ACT to deliver contracted services to meet its contracts or funding requirements, as the operations of Craft ACT were able to continue as normal through remote working from home arrangements for staff. Craft ACT was able to increase its exhibition sales income and retail revenue by establishing an online shop during the pandemic. The Association has \$425,613 cash and cash equivalents at 31 December 2020. The current cash position and secured future funding will be sufficient to meet the ongoing operating costs of the Association in the foreseeable 12 months from the date of signing of these financial statements.

Craft ACT Craft And Design Centre Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2020

20 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

21 Statutory Information

The registered office and principal place of business of the association is:

Craft ACT Craft And Design Centre Incorporated
1st Floor North Building
180 London Circuit
Civic Square ACT 2608

Craft ACT Craft And Design Centre Incorporated


ABN 33 314 092 587

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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



.....

Sam Bryant (Treasurer)



.....

Rebecca Coronel (Member)

Dated this 22 day of March 2021

Craft ACT Craft And Design Centre Incorporated

Independent Audit Report to the members of Craft ACT Craft And Design Centre Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Craft ACT Craft And Design Centre Incorporated, which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion the financial report of Craft ACT Craft And Design Centre Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 31 December 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Registered Entity in accordance with the auditor independence requirements of 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

For the Year Ended 31 December 2020

Disclaimer

The additional financial data presented on 22 is in accordance with the books and records of the Association which have been subjected to the auditing procedures applied in our statutory audit of the Association for the year ended 31 December 2020. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Craft ACT Craft And Design Centre Incorporated) in respect of such data, including any errors or omissions therein however caused.



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Phillip Miller CA

Director

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

For the Year Ended 31 December 2020

Income and Expenditure Statement

	2020	2019
	\$	\$
Income		
Grants:		
ACT Government	316,743	312,763
Australia council	97,878	96,910
Australia council VACS	38,743	38,131
Arts ACT VACS	49,000	49,000
CRA Grant	50,000	50,000
Other grants	-	26,663
	552,364	573,467
General		
Interest received	1,119	4,108
Cash flow boost	100,000	-
JobKeeper payments	121,200	-
	222,319	4,108
Activities:		
Donations	1,582	5,115
Membership subscriptions	40,086	41,970
Sponsorship - Design Canberra	120,540	175,224
Sponsorship - AIR	5,000	5,000
	167,208	227,309
Trading Account:		
Sales - retail	95,310	72,378
Less COGS - retail	(35,974)	(23,020)
Net - retail	59,336	49,358
Gross exhibition sales commission	64,939	52,726
Less COGS - exhibition	(46,588)	(37,587)
Exhibition - Gallery fees	391	1,909
Freight	1,982	561
	20,724	17,609
DC - Craft ACT ticket sales	26,392	26,993
DC - Exhibition sales	19,729	12,281
DC - External ticket sales	8,567	8,827
DC- Competition/Participation fees	100	3,318
DC - less exhibition sales commission	(10,021)	(7,264)
DC - less tickets sales commission	(7,036)	(7,242)
DC - Glass Utopia	16,998	-
	54,729	36,913
Total Income	1,076,680	908,764

Craft ACT Craft And Design Centre Incorporated

ABN 33 314 092 587

For the Year Ended 31 December 2020

Income and Expenditure Statement

	2020	2019
	\$	\$
Expenses		
Salaries & on costs:		
Salaries	406,469	371,247
Annual leave	6,355	7,457
Superannuation contributions	25,821	22,791
Insurance- workers comp/personal	3,129	1,500
	441,774	402,995
Administration:		
Accounting fees	59,935	57,167
Audit fees	5,603	5,300
Bad debts	955	-
Finance costs	37	206
Bank charges	5,321	3,807
Postage and shipping	4,211	1,956
Insurance	6,312	5,611
Online subscriptions and IT support	12,632	7,464
Office equipment	99	1,421
Repairs and maintenance	2,591	5,022
Sundry expenses	1,613	2,155
Telephone and fax	3,246	3,334
Advertising	2,052	1,953
Rent - office	3,751	22,314
Depreciation	14,904	5,134
	123,262	122,844
Member professional development	1,060	4,576
Artists, Writer and speaker fees	64,746	68,676
Advertising	64,829	71,417
Catering expenses	6,175	8,006
Exhibition costs	35,078	31,511
Member insurance	12,528	11,993
Project expenses	59,945	64,356
printing and stationery -admin	27,631	15,872
Travel and meeting	2,796	19,964
Venue and equipment hire	10,705	1,313
Postage and shipping	25,836	9,543
Exhibitions signage and labels	594	1,040
	311,923	308,267
Total expenses	876,959	823,287
Surplus for the year	199,721	74,658