



THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

FINANCIAL REPORT - 30 JUNE 2022

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THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

FINANCIAL REPORT - 30 JUNE 2022

BOARD OF DIRECTORS' REPORT

The Directors present the financial report of The Bower Re-Use and Repair Centre Co-Operative Limited for the year ending 30 June 2022 and report as follows:

NAMES OF DIRECTORS

The names and positions of the Directors who held office during the year were:

Name of Director	Position Held	Meetings Attended
Marcelle Psaili	Independent Director (<i>appointed 20 Dec 2021</i>) became Chairperson Oct 2022	8
Michelle Sheather	Member Director	12
Tony Turri	Treasurer	12
Helen Cooper	Secretary (<i>retired 20 Dec 2021</i>)	5
Linda O'Malley	Independent Director (<i>retired 20 Dec 2021</i>)	4
Margy Vary	Member Director (<i>retired 20 Dec 2021</i>)	4
Rose Dravitzki	Member Director (<i>appointed 20 Dec 2021</i>)	7
Marina Antoniozzi	Member Director (<i>appointed 20 Dec 2021 retired 20 May 2022</i>)	7
Angus MacGregor	Independent Director (<i>appointed 20 Dec 2021</i>)	7
Sagan Rajbhandary	Secretary (<i>appointed 20 Dec 2021</i>)	8

The Directors were in office for the whole of the financial year unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the co-operative during the financial year were to operate re-use and repair centres, provide educational workshops and provide a re-use referral service to the local community. There has been no significant change in the nature of the co-operative's principal activities from the previous year.

OPERATING RESULT

The operating result of the co-operative for the financial year was a deficit of \$151,809 (2021 surplus: \$145,329).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

- Drop in revenue has resulted from the pandemic and staff turnover
- A major customer contract was terminated in the year impacting on revenue however the customer has now been re-established
- The Covid restrictions meant the Marrickville shop and all workshops had to close for extended periods - two of the main revenue streams. There was also a turnover in staff, in part due to Covid.

This report is made in accordance with a resolution of the Directors made on 26 October 2022 and is signed for and on behalf of the Board of Director's by:

Marcelle Psaili
Chairperson

Anthony Turri
Treasurer

26 October 2022

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

FINANCIAL REPORT - 30 JUNE 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER s60-40
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE MEMBERS OF THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been:

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

StewartBrown
Chartered Accountants

S.J. Hutcheon
Partner

26 October 2022

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**ABN 51 412 061 029****STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	224,991	452,611
Trade and other receivables	7	117,042	60,497
Inventories	8	7,750	-
<i>Total current assets</i>		<u>349,783</u>	<u>513,108</u>
Non-current assets			
Property, plant and equipment	9	56,130	68,769
Right-of-use assets	10	-	18,264
Intangible assets	11	31,536	29,832
<i>Total non-current assets</i>		<u>87,666</u>	<u>116,865</u>
TOTAL ASSETS		<u>437,449</u>	<u>629,973</u>
LIABILITIES			
Current liabilities			
Trade and other payables	12	223,169	206,909
Employee benefits	13	10,952	46,290
Lease liabilities	14	-	16,501
<i>Total current liabilities</i>		<u>234,121</u>	<u>269,700</u>
Non-current liabilities			
Employee benefits	13	3,304	8,440
Lease liabilities	14	-	-
<i>Total non-current liabilities</i>		<u>3,304</u>	<u>8,440</u>
TOTAL LIABILITIES		<u>237,425</u>	<u>278,140</u>
NET ASSETS		<u>200,024</u>	<u>351,833</u>
FUNDS			
Accumulated funds		<u>200,024</u>	<u>351,833</u>
TOTAL FUNDS		<u>200,024</u>	<u>351,833</u>

The accompanying notes form part of these financial statements

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue	4	642,899	1,448,430
Other income	4	-	6,655
		<u>642,899</u>	<u>1,455,085</u>
Expenses			
Administration and other expenses		(194,798)	(298,771)
Employee expenses		(524,287)	(930,179)
Depreciation and amortisation	5	(44,552)	(75,645)
Finance costs	5	(165)	(1,499)
Rental expenses	5	(30,906)	(3,662)
		<u>(794,708)</u>	<u>(1,309,756)</u>
Surplus (deficit) before income tax		(151,809)	145,329
Income tax expense		-	-
		<u>-</u>	<u>-</u>
Surplus (deficit) for the year		<u>(151,809)</u>	<u>145,329</u>
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the year		<u><u>(151,809)</u></u>	<u><u>145,329</u></u>

The accompanying notes form part of these financial statements

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**ABN 51 412 061 029****STATEMENT OF CHANGES IN FUNDS****AS AT 30 JUNE 2022**

	Accumulated Funds	Total
	\$	\$
Balance at 1 July 2020	206,504	206,504
Comprehensive income		
Surplus (deficit) for the year	145,329	145,329
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	<u>145,329</u>	<u>145,329</u>
Balance at 30 June 2021	<u><u>351,833</u></u>	<u><u>351,833</u></u>
Balance at 1 July 2021	351,833	351,833
Comprehensive income		
Surplus (deficit) for the year	(151,809)	(151,809)
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	<u>(151,809)</u>	<u>(151,809)</u>
Balance at 30 June 2022	<u><u>200,024</u></u>	<u><u>200,024</u></u>

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**ABN 51 412 061 029****STATEMENT OF CASH FLOWS****AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers and government		526,671	1,447,304
Payments to suppliers and employees		(800,289)	(1,276,520)
Donations received		77,672	56,952
Interest received		345	712
Interest paid - leases		(165)	(1,499)
<i>Net cash flows from operating activities</i>	15	<u>(195,766)</u>	<u>226,949</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	8,182
Purchase of property, plant and equipment		(2,449)	(45,445)
Purchase of intangible assets		(12,904)	(5,050)
<i>Net cash flows from investing activities</i>		<u>(15,353)</u>	<u>(42,313)</u>
Cash flows from financing activities			
Repayment of lease liabilities		(16,501)	(55,259)
<i>Net cash flows from financing activities</i>		<u>(16,501)</u>	<u>(55,259)</u>
Net increase (decrease) in cash and cash equivalents		(227,620)	129,377
Cash and cash equivalents at the beginning of the financial year		<u>452,611</u>	<u>323,234</u>
Cash and cash equivalents at the end of the financial year	6	<u>224,991</u>	<u>452,611</u>

The accompanying notes form part of these financial statements

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 1 – Corporate information**

This financial report is for The Bower Re-Use and Repair Centre Co-Operative Limited. The co-operative is registered as a charity under the *Australian Charities and Not-for-profits Commission Act 2012*.

The co-operative provides re-use and repair centre services, educational workshops and re-use referral services to the local community.

The registered address and principal place of business of the co-operative is:

142 Addison Road
Marrickville NSW 2204

The financial statements were approved by the Directors on 26 October 2022.

Note 2 – Basis of preparation***Statement of compliance***

These general purpose financial statements have been prepared in compliance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Accounting Standards - Simplified Disclosures*. The co-operative is a not-for-profit entity for the purposes of preparing these financial statements.

Other than the change in disclosure requirements, the adoption of *AASB 1060: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* has had no significant impact on the financial statements because the co-operative's previous financial statements complied with *Australian Accounting Standards - Reduced Disclosure Requirements*.

Basis of measurement

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.

Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the co-operative has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the joint venture.

Key estimates***Impairment***

The Directors assess impairment at the end of each reporting period by evaluation of conditions and events specific to the co-operative that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Note 2 – Basis of preparation (continued)

New and revised standards that are effective for these financial statements

Several amendments to Australian Accounting Standards and interpretations are mandatory for the 30 June 2022 reporting period. These include:

- *AASB 1060: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (effective for the year ending 30 June 2022)
- *AASB 2020-2: Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities* (effective for the year ended 30 June 2022)

AASB 1060 and AASB 2020-2 act to mandate that the co-operative prepare a general purpose financial report under a new Simplified Disclosure Standard. The application of AASB 1060 and AASB 2020-2 have not had a material impact on the carrying values of the co-operative's asset, liability or equity balances, nor a material impact on the recognition and measurement of the co-operative's revenue or expenses.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the co-operative. These include:

- *AASB 2020-1: Amendments to AASs - Classification of Liabilities as Current or Non-current* (effective for the year ending 30 June 2024)
- *AASB 2021-2: Amendments to AASs – Disclosure of Accounting Policies and Definition of Accounting Estimates* (effective for the year ending 30 June 2024)

It is not expected that AASB 2020-1 or AASB 2021-2 will have a material impact on the co-operative in future reporting periods.

Note 3 - Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Income Tax

The Bower Re-Use and Repair Centre Co-Operative Limited is a not-for-profit Charity and it is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is stated net of the amount of goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue from the sale of goods is recognised at the earlier of when deposits are paid in full and available for shipping and the point of delivery.

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Note 3 - Significant accounting policies (continued)

Revenue recognition (continued)

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

Interest

Revenue from interest is recognised on an accrual's basis.

Rendering of services

Revenue from the rendering of a service is recognised upon delivery of the service to the customer.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of six months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less a provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the co-operative will not be able to collect all amounts due according to the original terms of receivables.

Property, plant and equipment

Recognition and measurement

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit or loss and other comprehensive income.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the co-operative and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight line basis over the asset's useful life to the co-operative commencing from the time the asset is held ready for use.

The depreciation effective life used for each class of depreciable assets is:

Building	40 years
Leasehold improvements	5 years
Equipment, furniture and fittings	5 - 20 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Right-of-use assets***

At inception, a right-of-use asset and a lease liability is recognised. Right-of-use assets are included in the *Statement of Financial Position* within a classification relevant to the underlying asset.

Right-of-use assets are initially measured at cost, comprising of the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date, less any lease incentives received
- Any initial direct costs incurred
- An estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period

Subsequently, right-of-use assets are measured using a cost model. The right-of-use asset is depreciated to the earlier of the useful life of the asset or the lease term using the straight-line method and is recognised in the statement of profit or loss and other comprehensive income in "Depreciation and amortisation".

The co-operative tests for impairment where there is an indication that a right-of-use asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of a right of use asset is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount. The resulting impairment loss is recognised immediately in surplus or deficit, except where the decrease reverses a previously recognised revaluation increase for the same asset.

The resulting decrease is recognised in other comprehensive income to that extent and reduces the amount accumulated in equity under revaluation surplus, and future depreciation charges are adjusted in future periods to allocate the revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

Leases

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration.

At inception of a contract, it is assessed to determine whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the terms and conditions of a contract are changed, it is reassessed to once again determine if the contract is still, or now contains, a lease.

The term of a lease is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reasonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

The assessment of the reasonable certainty of the exercising of options to extend the lease, or not exercising of options to terminate the lease, is reassessed upon the occurrence of either a significant event or a significant change in circumstances that is within the company's control, and it affects the reasonable certainty assumptions. The assessment of the lease term is revised if there is a change in the non-cancellable lease period.

The company does not recognise leases that have a lease term of 12 months or less or are of low value as a right-of-use asset or lease liability. The lease payments associated with these leases are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Lease liability***

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate.

The tenor of a lease includes any renewal period where the lessee is reasonably certain that they will exercise the option to renew. The company has reviewed all its leases and included any extensions where the company assessed it is reasonably certain the lease agreement will be renewed.

The lease payment used in the calculation of the lease liabilities should include variable payments when they relate to an index or rate. Where leases contain variable lease, payments based on an index or rate at a future point in time, the company has used the incremental uplift contained in the lease or the respective Reserve Bank forward-looking CPI target for CPI-related increases.

In the absence of any floor or cap clauses in the lease agreements, the company measures the rent for the year under market review at an amount equal to the rent of the year preceding the market review increased by a fixed rate.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date. Lease payments are discounted using the relevant company's incremental borrowing rate. The incremental borrowing rate used for this calculation is dictated by the tenor of the lease and the location of the asset. The incremental borrowing rate is the rate the company would be charged on borrowings, provided by our banking partners. The weighted average incremental borrowing rate is 4.5%. The following lease payments being fixed payments, less any lease incentives receivable are included where they are not paid at the commencement date.

Subsequently, the lease liability is measured by:

- Increasing the carrying amount to reflect interest on the lease liability
- Reducing the carrying amount to reflect the lease payments made
- Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments

The unwind of the financial charge on the lease liabilities is recognised in the *Statement of Profit or Loss and Other Comprehensive Income* in "Finance costs" based on the company's incremental borrowing rate.

Intangible assets***Software***

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of between three to four years. The current amortisation charges for software are included under depreciation and amortisation expense in the statement of profit or loss and other comprehensive income.

Impairment of assets

At the end of each reporting period, the co-operative reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less the costs to sell the value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the statement of profit or loss and other comprehensive income.

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Trade and other payables***

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the co-operative during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Income and grants received in advance

Income, including government funding income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of comprehensive income.

Employee benefits

Provision is made for the co-operative's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<u>Note 4 - Revenue</u>		
Revenue		
Sales	239,524	628,901
Grant income	95,817	176,257
Services delivered to councils	43,878	72,156
Other operating revenue	38,720	89,615
	<u>417,939</u>	<u>966,929</u>
Other revenue		
Donations received	77,672	56,952
Government support - COVID-19	146,943	423,837
Interest income	345	712
	<u>224,960</u>	<u>481,501</u>
<i>Total revenue</i>	<u>642,899</u>	<u>1,448,430</u>
Other income		
Net gain on the disposal of property, plant and equipment	-	6,655
<i>Total other income</i>	<u>-</u>	<u>6,655</u>
<i>Total revenue and other income</i>	<u>642,899</u>	<u>1,455,085</u>
<u>Note 5 - Expenses</u>		
Depreciation and amortisation		
Property, plant and equipment	15,088	20,611
Right-of-use assets	18,264	43,834
Software	11,200	11,200
<i>Total depreciation and amortisation</i>	<u>44,552</u>	<u>75,645</u>
Finance costs - leases	165	1,499
Impairment - trade receivables	396	(6,304)
Rental expenses relating to operating leases	30,906	3,662
<u>Note 6 - Cash and cash equivalents</u>		
Cash at bank and on hand	224,991	452,611
<i>Total cash and cash equivalents</i>	<u>224,991</u>	<u>452,611</u>
<u>Note 7 - Trade and other receivables</u>		
<u>Current</u>		
Trade receivables	90,604	13,663
Provision for impairment	(796)	(400)
Other receivables	12,752	25,233
Prepayments	14,482	22,001
<i>Total current trade and other receivables</i>	<u>117,042</u>	<u>60,497</u>
<i>Provision for impairment</i>		
Opening net carrying amount	400	6,704
Increase (decrease) in provision	396	(6,304)
Closing net carrying amount	<u>796</u>	<u>400</u>
<u>Note 8 - Inventories</u>		
Stock on hand	7,750	-
<i>Total inventories</i>	<u>7,750</u>	<u>-</u>

The accompanying notes form part of these financial statements

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Note 9 - Property, plant and equipment

	Leasehold Improvements	Buildings	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
At 30 June 2021					
Cost	11,212	94,552	84,517	45,445	235,726
Accumulated depreciation	(8,536)	(94,552)	(60,834)	(3,035)	(166,957)
<i>Net carrying amount</i>	<u>2,676</u>	<u>-</u>	<u>23,683</u>	<u>42,410</u>	<u>68,769</u>
Movements in carrying amounts					
Opening net carrying amount	2,676	-	23,683	42,410	68,769
Additions	-	-	2,449	-	2,449
Depreciation charge for the year	(2,676)	-	(6,731)	(5,681)	(15,088)
Closing net carrying amount	<u>-</u>	<u>-</u>	<u>19,401</u>	<u>36,729</u>	<u>56,130</u>
At 30 June 2022					
Cost	11,211	94,552	86,967	45,445	238,175
Accumulated depreciation	(11,211)	(94,552)	(67,566)	(8,716)	(182,045)
<i>Net carrying amount</i>	<u>-</u>	<u>-</u>	<u>19,401</u>	<u>36,729</u>	<u>56,130</u>

	2022	2021
	\$	\$
Note 10 - Right-of-use assets		
Leased offices - at cost	105,931	105,931
Accumulated depreciation	(105,931)	(87,667)
<i>Total right-of-use assets</i>	<u>-</u>	<u>18,264</u>
Movements in carrying amounts		
Opening net carrying amount	18,264	62,098
Depreciation charge for the year	(18,264)	(43,834)
Closing net carrying amount	<u>-</u>	<u>18,264</u>

Note 11 - Intangible assets

Software

Cost	78,626	65,722
Accumulated amortisation	(47,090)	(35,890)
<i>Net carrying amount</i>	<u>31,536</u>	<u>29,832</u>
Movements in carrying amounts		
Opening net carrying amount	29,832	35,982
Additions	12,904	5,050
Amortisation charge for the year	(11,200)	(11,200)
Closing net carrying amount	<u>31,536</u>	<u>29,832</u>

Note 12 - Trade and other payables

Current

Trade payables	20,197	14,143
Grants received in advance	128,141	137,525
Income received in advance	25,948	5,252
Liabilities to employees	30,828	49,989
Other payables	18,055	-
<i>Total current trade and other payables</i>	<u>223,169</u>	<u>206,909</u>

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Note 13 - Employee benefits		
<u>Current</u>		
Annual leave	10,952	28,437
Employee bonuses	-	17,853
<i>Total current employee benefits</i>	<u>10,952</u>	<u>46,290</u>
<u>Non-current</u>		
Long service leave	3,304	8,440
<i>Total non-current employee benefits</i>	<u>3,304</u>	<u>8,440</u>
Note 14 - Lease liabilities		
<u>Current</u>		
Lease liabilities	-	16,501
<i>Total current lease liabilities</i>	<u>-</u>	<u>16,501</u>
Movements in carrying amounts		
Opening net carrying amount	16,501	71,760
Lease modification	-	(16,758)
Repayments	(16,666)	(40,000)
Interest	165	1,499
Closing net carrying amount	<u>-</u>	<u>16,501</u>
Note 15 - Cash flow information		
Reconciliation of net surplus (deficit) for the year to net cash flows from operations		
Surplus (deficit) for the year	(151,809)	145,329
<i>Adjustments for:</i>		
<i>Non cash flows</i>		
Gain on disposal of property, plant and equipment	-	(6,655)
Amortisation	11,200	11,200
Depreciation	33,352	64,445
Bad and doubtful debts	796	400
<i>Changes in assets and liabilities</i>		
(Increase) decrease in trade and other receivables	(64,860)	120,112
(Increase) decrease in prepayments	7,519	(1,943)
(Increase) decrease in inventories	(7,750)	-
(Decrease) increase in trade and other payables	24,109	(20,105)
(Decrease) increase in income in advance	11,312	(98,691)
(Decrease) increase in liabilities to employees	(19,161)	(928)
(Decrease) increase in employee benefits	(40,474)	13,785
Net cash flows from operating activities	<u>(195,766)</u>	<u>226,949</u>

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<u>Note 16 - Charitable fundraising activities</u>		
The following information is disclosed in accordance with the requirements of the New South Wales <i>Charitable Fundraising Act 1991</i> :-		
<i>Fundraising income and expenditure</i>		
Gross proceeds from fundraising	79,291	95,452
Total costs of fundraising	<u>12,831</u>	<u>10,005</u>
Net surplus from fundraising	<u><u>66,460</u></u>	<u><u>85,447</u></u>

Note 17 - Key management personnel

Remuneration of key management personnel

The aggregate amount of compensation paid to key personnel during	<u>124,325</u>	<u>132,370</u>
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Note 18 - Events occurring after balance date

Subsequent to the end of the financial year, there remains a degree of uncertainty in relation to future economic and other impacts of the COVID-19 pandemic.

At the date of signing the financial statements the Directors are unable to determine what financial effects the outbreak of the virus could have on the company in the coming financial period.

The Directors acknowledge their responsibility to continuously monitor the situation and evaluate this impact including the ability to pay the debts as and when they become due and payable.

There were no other significant events occurring after balance date.

	2022	2021
	\$	\$
<u>Note 19 - Auditor's remuneration</u>		
Fees paid to StewartBrown, Chartered Accountants:		
Audit of the financial report	7,000	6,200
Preparation of the financial report	<u>3,000</u>	<u>2,600</u>
<i>Total auditor's remuneration</i>	<u><u>10,000</u></u>	<u><u>8,800</u></u>

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**FINANCIAL REPORT - 30 JUNE 2022****STATEMENT BY BOARD OF DIRECTORS**

The Directors of The Bower Re-Use and Repair Centre Co-Operative Limited declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with *Australian Accounting Standards - Simplified Disclosures* (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date.
2. In the opinion of the Directors, there are reasonable grounds to believe that the co-operative will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors:

Marcelle Psaili
Chairperson

Anthony Turri
Treasurer

Sydney, 26 October 2022

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

FINANCIAL REPORT - 30 JUNE 2022

BOARD'S DECLARATION UNDER THE CHARITABLE FUNDRAISING ACT 1991

In the opinion of the Directors of The Bower Re-Use and Repair Centre Co-Operative Limited:

- (i) The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals for the year ended 30 June 2022;
- (ii) The statement of financial position gives a true and fair view of the state of affairs of the co-operative with respect to fundraising appeals;
- (iii) The provisions of the *Charitable Fundraising Act 1991*, the regulations under that Act, and the conditions attached to the authority to fundraise have been complied with; and
- (iv) The internal controls exercised by the co-operative are appropriate and effective in accounting for all income received.

This declaration is made in accordance with a resolution of the Board of Directors and signed for and on behalf of the Board of Directors by:

Marcelle Psaili
Chairperson

Anthony Turri
Treasurer

Sydney, 26 October 2022

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

FINANCIAL REPORT - 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED

Opinion

We have audited the financial report of The Bower Re-Use and Repair Centre Co-Operative Limited which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

In our opinion, the accompanying financial report of The Bower Re-Use and Repair Centre Co-Operative Limited in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the co-operative's financial position as at 30 June 2022 and of its financial performance for the year then ended, and
- b) complying with *Australian Accounting Standards - Simplified Disclosures* and 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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the co-operative in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* 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.

Directors' Responsibility for the Financial Report

The Directors of the co-operative are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the co-operative'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 Directors either intend to liquidate the co-operative or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the co-operative's financial reporting process.

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED
ABN 51 412 061 029

FINANCIAL REPORT - 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at *The Auditing and Assurance Standards Board* and the website address is <http://www.auasb.gov.au/Home.aspx>

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In addition, our audit report has also been prepared for the members of the co-operative in accordance with section 24(2) of the *Charitable Fundraising Act 1991*. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Australian Charities and Not-for-profits Commission Act 2012*. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *Charitable Fundraising Act 1991* and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year-end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year-end financial report preparation.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial report. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the *Charitable Fundraising Act 1991* has been formed on the above basis.

StewartBrown
Chartered Accountants

S.J. Hutcheon
Partner

26 October 2022

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**DETAILED INCOME AND EXPENDITURE STATEMENT (UNAUDITED)**
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
INCOME		
Gross proceeds from fundraising		
Donations	77,672	56,952
Grants		
Government support - COVID-19	-	423,837
Government grants	47,047	145,335
Non Government grants	48,770	30,922
Services delivered to councils		
Collection and rehoming Service	43,878	72,156
Sales	386,467	628,901
Other revenue		
Membership Income	716	737
Workshop fees	23,542	44,178
Delivery charges	8,953	11,023
Paid collection service	945	126
Sundry income	2,824	2,638
Lease liability adjustment	-	16,758
Profit on sale of assets	-	6,655
Fuel tax credits	-	346
WFD activity placements	-	2,196
Parramatta workshops	-	5,018
Commission on consignments	1,686	5,683
Workers compensation claim	-	685
Interest Received	345	712
Other income	54	227
<i>Total Income</i>	<u>642,899</u>	<u>1,455,085</u>

THE BOWER RE-USE AND REPAIR CENTRE CO-OPERATIVE LIMITED**DETAILED INCOME AND EXPENDITURE STATEMENT (UNAUDITED)****FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
EXPENDITURE		
Advertising and marketing	23	404
Art from trash expense	-	1,925
Audit	10,041	9,603
Bank charges	3,317	4,943
Bookkeeping - external	27,198	29,070
Computer expense	1,817	541
Consultancy	44,900	58,870
Contingency	-	783
Depreciation and amortisation	44,552	75,645
Electricity	3,781	5,789
Finance costs	165	1,499
Funded projects	565	57,039
Grant writer	11,212	-
Insurance	4,174	4,747
Internet	2,671	1,481
IT upgrade	6,777	3,875
IT expense	4,096	4,326
Legal Fees	-	9,091
Licences	901	2,056
Meeting expenses	1,862	1,050
Memberships and subscriptions	7,456	5,757
Online store	1,886	7,272
Photocopying	2,340	1,745
Printing and stationery	690	722
Rent	30,906	3,662
Repair and maintenance	326	3,102
Salaries	477,544	864,571
Shop consumables	370	230
Staff advertising and recruitment	9,044	977
Staff amenities	164	344
Staff training	-	6,988
Staff safety equipment	156	231
Storage space	764	280
Sundry expenses	2,163	1,636
Superannuation	46,898	65,157
Telephone and fax	3,520	5,358
Tiny house course running costs	-	28,412
Travel	545	3,017
Truck running costs	14,318	13,099
Water	507	465
Waste removal	6,198	7,070
Workers compensation insurance	12,224	11,371
Workshop expense	8,637	5,553
<i>Total expenditure</i>	<u>794,708</u>	<u>1,309,756</u>
NET PROFIT FOR THE YEAR	<u>(151,809)</u>	<u>145,329</u>