

The Footpath Library Ltd

ABN: 29 128 893 667

Financial statements

For the year to 31 December 2017

Directors' report

The directors present their report on The Footpath Library Ltd (herein "Footpath Library") for the year to 31 December 2017.

Directors

The following were directors during the year and to the date of this report are:

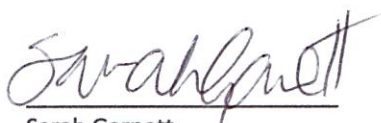
Sarah Garnett
Barbara McKellar
Nicolas Deloux
Richard Bean (resigned)
James Price (resigned)

Principal activities

The principal activity of Footpath Library during the year was the delivery of a regular supply of books to homeless people living in hostels and on the streets, and to community organisations.

During the year, the geographic distribution of books was significantly reduced to reduce recurring expenses.

Signed in accordance with a resolution of the board of directors.



Sarah Garnett
Director



Barbara McKellar
Director

Date signed:

16/2/18

Statement of comprehensive financial performance

For the year ended 31 December 2017

	2017	2016
Revenue	47,229	85,715
Payroll expenses	(41,946)	(69,996)
Administrative expenses	(20,418)	(27,083)
Insurance expenses	(5,172)	(4,062)
Other expenses	(16,337)	(7,624)
Net surplus / (deficit) before income tax	<u>(36,644)</u>	<u>(23,050)</u>
Income tax	-	-
Other comprehensive income after income tax	-	-
Total comprehensive surplus / (deficit)	<u>(36,644)</u>	<u>(23,050)</u>

Statement of financial position

As at 31 December 2017

	2017	2016
Assets		
Current assets		
Cash	33,182	76,849
Term deposits	5,118	-
Prepayment	-	2,989
Total current assets	<u>38,300</u>	<u>79,838</u>
Non-current assets		
Property, plant and equipment	<u>16,662</u>	<u>19,697</u>
Total non-current assets	<u>16,662</u>	<u>19,697</u>
Total assets	<u>54,962</u>	<u>99,535</u>
Liabilities		
Current liabilities		
Payables	<u>1,545</u>	<u>9,474</u>
Total current liabilities	<u>1,545</u>	<u>9,474</u>
Total non-current liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>1,545</u>	<u>9,474</u>
Net assets	<u>53,417</u>	<u>90,061</u>
Equity		
Retained surplus	<u>53,417</u>	<u>90,061</u>
Total equity	<u>53,417</u>	<u>90,061</u>

Statement of changes in equity

For the year ended 31 December 2017

	Retained surplus
Balance at 1 Jan 2017	90,061
Surplus / (deficit) for the year	<u>(36,644)</u>
Balance at 31 Dec 2017	<u>53,417</u>
Balance at 1 Jan 2016	113,111
Surplus / (deficit) for the year	<u>(23,050)</u>
Balance at 31 Dec 2016	<u>90,061</u>

Statement of cash flows

For the year ended 31 December 2017

	2017	2016
Cash flows from operating activities		
Donations and grants received	46,957	84,513
Interest received	273	786
Payments to suppliers and employees	(85,779)	(103,088)
Net cash from operating activities	<u>(38,549)</u>	<u>(17,789)</u>
Cash flows from investing activities		
Redemption / (Add) to term deposits	(5,118)	
Net cash from investing activities	<u>(5,118)</u>	<u>-</u>
Cash flows from financing activities		
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash	<u>(43,667)</u>	<u>(17,789)</u>
Cash at the beginning of the year	<u>76,849</u>	<u>94,638</u>
Cash at the end of the year	<u>33,182</u>	<u>76,849</u>

Notes to the financial statements

1) Statement of significant accounting policies

The directors' have prepared the financial statements on the basis that The Footpath Library Ltd (herein "Footpath Library") is a non-reporting entity because there are no users dependent on a general purpose financial report. The financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Footpath Library is a company limited by guarantee, incorporated and domiciled in Australia. Footpath Library is a not-for-profit entity for the purpose of preparing financial statements under Australian Accounting Standards.

The financial statements are presented in Australian Dollars.

Basis of preparation

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The directors have determined that the accounting policies described below, which are consistent with those of previous periods unless otherwise stated, are appropriate to meet the needs of members.

Footpath Library is incorporated under the *Corporations Act 2001* as a company limited by guarantee. If Footpath Library is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of Footpath Library.

Going concern

The financial report has been prepared on a going concern basis. This basis presumes that funds will be available to finance future operations and that the realisation of assets and liabilities will occur in the normal course of business.

Footpath Library has made a net loss of \$36,644 for the year ended 31 December 2017. As at 31 December 2017 the entity had net asset surplus of \$53,417.

These conditions give rise to a material uncertainty over Footpath Library's ability to continue as a going concern.

The directors of the Footpath Library are of the opinion that the going concern basis remains appropriate after considering the following mitigating factors:

- 1) Footpath Library has significantly scaled back operations to reduce recurring expense;
- 2) Footpath Library at 31 December 2017 held \$38,300 in cash at bank and term deposits.

Should Footpath Library be unable to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities as appropriate.

Accounting policies

The significant accounting policies that have been used in the preparation of these financial statements are summarised below:

a) Revenue

Donations and grants of cash are recorded as revenue when received.

Footpath Library receives contributions of goods and services as charitable gifts in kind. These goods and services are not included in the financial statements.

b) Critical Accounting Estimates and Judgments

There are no critical accounting estimates and judgements incorporated into the financial statements.