

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**FINANCIAL REPORT**  
**FOR THE PERIOD ENDED**  
**31 DECEMBER 2017**

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

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**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**COMMITTEE'S REPORT**

Your committee members submit the financial report of the Darwin Film Society Inc. for the financial period ended 31 December 2017.

**Committee Members**

The name of each member of the committee during the period and if different, at the date of the report;

Jeff Coulter  
John Schier  
Harry Abrahams  
Laura Berta  
Elizabeth Close  
Phil Hickey  
Di Koser  
Lex Sylvester  
Lee Upton

**Principal Activities**

The principal activities of the association during the financial period were:

the promotion of film culture through screenings and other activities.

**Significant Changes**

No significant change in the nature of these activities occurred during the period.

**Operating Result**

The loss of the association after providing for income tax amounted to \$(7,686.82).

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

**Chair:**

\_\_\_\_\_  
Jeff Coulter

**Vice Chair:**

\_\_\_\_\_  
John Schier

**Dated this      day of March 2018**

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>Income</b>			
Revenue	3	1,095,339.86	1,007,999.50
Other income	3	(2,397.52)	-
		1,092,942.34	1,007,999.50
Changes in inventories of finished goods and work in progress		9.75	3,775.00
Raw materials and consumables used		(158,401.52)	(144,690.69)
<b>Expenditure</b>			
Accountancy expenses		(21,960.00)	(19,500.00)
Advertising expenses		(34,194.68)	(45,568.20)
Auditor's remuneration	4	(4,478.00)	(4,885.00)
Commissions paid		(7,786.46)	(6,603.32)
Depreciation and amortisation expenses		(35,743.46)	(45,691.00)
Employee benefits expenses		(282,665.48)	(251,751.98)
Freight and cartage		(6,341.31)	(6,355.96)
Other expenses		(549,068.00)	(349,550.51)
		(7,686.82)	137,177.84
<b>(Loss) Profit for the period</b>	<b>5</b>	<b>(7,686.82)</b>	<b>137,177.84</b>
<b>Total comprehensive income for the year</b>		<b>(7,686.82)</b>	<b>137,177.84</b>

The accompanying notes form part of these financial statements.

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	550,487.96	561,675.03
Trade and other receivables	7	17,696.96	11,306.80
Inventories	8	21,511.75	32,316.70
Other current assets	9	39,678.55	4,391.36
<b>TOTAL CURRENT ASSETS</b>		<u>629,375.22</u>	<u>609,689.89</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	192,438.18	190,010.22
<b>TOTAL NON-CURRENT ASSETS</b>		<u>192,438.18</u>	<u>190,010.22</u>
<b>TOTAL ASSETS</b>		<u>821,813.40</u>	<u>799,700.11</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	11	30,046.64	25,348.59
Other current liabilities	12	40,102.06	15,000.00
<b>TOTAL CURRENT LIABILITIES</b>		<u>70,148.70</u>	<u>40,348.59</u>
<b>TOTAL LIABILITIES</b>		<u>70,148.70</u>	<u>40,348.59</u>
<b>NET ASSETS</b>		<u>751,664.70</u>	<u>759,351.52</u>
<b>EQUITY</b>			
Retained earnings	13	751,664.70	759,351.52
<b>TOTAL EQUITY</b>		<u>751,664.70</u>	<u>759,351.52</u>

The accompanying notes form part of these financial statements.

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Note	Retained earnings \$	Total \$
<b>Balance at 1 January 2016</b>		622,174	622,174
Profit attributable to members		137,178	137,178
<b>Balance at 31 December 2016</b>		<u>759,352</u>	<u>759,352</u>
Profit attributable to members		<u>(7,687)</u>	<u>(7,687)</u>
<b>Balance at 31 December 2017</b>		<u><u>751,665</u></u>	<u><u>751,665</u></u>

The accompanying notes form part of these financial statements.

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from screenings and activities	791,809.99	762,675.12
Employment expenses	(285,538.95)	(244,201.75)
Receipts from donors, sponsors, members and others	163,041.78	57,821.00
Interest received	8,897.84	10,565.56
Receipts from government and other grants	154,696.00	156,937.82
General administration expenses and direct expenses	(803,524.79)	(580,275.46)
<b>Net cash provided by operating activities</b>	<b>14</b> <u>29,381.87</u>	<u>163,522.29</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	<u>(40,568.94)</u>	<u>(142,961.84)</u>
<b>Net cash used in investing activities</b>	<u>(40,568.94)</u>	<u>(142,961.84)</u>
Net increase (decrease) in cash held	(11,187.07)	20,560.45
Cash at beginning of financial year	<u>561,675.03</u>	<u>541,114.58</u>
Cash at end of financial year	<b>6</b> <u>550,487.96</u>	<u>561,675.03</u>

The accompanying notes form part of these financial statements.

**DARWIN FILM SOCIETY INC.**

**ABN: 19 676 696 024**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**1 Summary of Significant Accounting Policies**

The financial statements cover Darwin Film Society Inc. as an individual entity. Darwin Film Society Inc. is an association incorporated in NT under the Associations Act ('the Act').

**2 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Associations Act.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless stated otherwise.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

**Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost model.

Asset are carried at cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

**Land and buildings**

Land and buildings are measured using the cost model.

**Plant and equipment**

Plant and equipment are measured using the cost model.



**DARWIN FILM SOCIETY INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**Depreciation**

The depreciable amount of all fixed assets including capitalised leased assets, is depreciated on a straight line basis over the asset's useful life commencing from the time the asset is held ready for use.

**Financial Instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that 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).

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The association's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the association renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the association does not necessarily consider the balance to be impaired as assessment is made on a case-by-case basis.

**DARWIN FILM SOCIETY INC.**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets. The association has no available-for-sale financial assets.

Purchases and sales of available-for-sale investments are recognised on settlement date.

Available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in prior period statement of comprehensive income resulting from the impairment of debt securities are reversed through the statement of comprehensive income, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

**Available-for-sale financial assets**

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

**DARWIN FILM SOCIETY INC.**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**Impairment of Non-Financial Assets**

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

**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 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 twelve months 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 national government bonds 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.

Employee benefits are presented as current liabilities in the statement of financial position if the association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

**DARWIN FILM SOCIETY INC.**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**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. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet.

**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.

All revenue is stated net of the amount of goods and services tax (GST).

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

**Sale of goods**

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

**Interest revenue**

Interest revenue is recognised using the effective interest rate method.

**Rendering of services**

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

**Subscriptions**

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**Goods and Services Tax (GST)**

Revenues, 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. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

**Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

**DARWIN FILM SOCIETY INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>3 Revenue and Other Income</b>		
<b>Revenue</b>		
Sales revenue:		
Sale of goods	281,108.96	262,389.50
Rendering of services	667,254.98	551,255.88
	<u>948,363.94</u>	<u>813,645.38</u>
Other revenue:		
Interest received	8,897.84	10,565.56
Other revenue	138,078.08	183,788.56
	<u>146,975.92</u>	<u>194,354.12</u>
Total revenue	<u>1,095,339.86</u>	<u>1,007,999.50</u>
<b>Other income</b>		
Loss on Sale of Non-current Assets	<u>(2,397.52)</u>	-
Total other income	<u>(2,397.52)</u>	-
<b>4 Auditor's Remuneration</b>		
<b>Auditor's Remuneration</b>		
Accounting Standards	<u>4,478.00</u>	<u>4,885.00</u>
<b>5 Profit for the year</b>		
Profit before income tax from continuing operations includes the following specific expenses:		
<b>Expenses</b>		
Cost of sales	158,391.77	140,915.69
Employee benefits expense:		
contributions to defined contribution superannuation funds	-	20,697.21
Depreciation of property, plant and equipment	35,743.46	45,691.00
Research and development costs	7,865.95	3,423.35
<b>Revenue and Other Income</b>		
Loss on Sale of Non-current Assets	<u>(2,397.52)</u>	-

**DARWIN FILM SOCIETY INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>6 Cash and Cash Equivalents</b>		
Term Deposits	405,978.29	369,514.86
Maxi-i Direct Account	100,215.52	150,348.26
Floats	1,000.00	500.00
Cash at Bank	43,294.15	41,311.91
	<u>550,487.96</u>	<u>561,675.03</u>
<b>Reconciliation of cash</b>		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	550,487.96	561,675.03
	<u>550,487.96</u>	<u>561,675.03</u>
<b>7 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Debtors	1,996.31	-
Input Tax Credits	15,700.65	11,306.80
	<u>17,696.96</u>	<u>11,306.80</u>
The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.		
<b>8 Inventories</b>		
<b>Current</b>		
At cost:		
Merchandise and Bar Stock	5,404.75	5,395.00
'Flix in the Tropics' - History of the Deckchair Cinema	16,107.00	26,921.70
	<u>21,511.75</u>	<u>32,316.70</u>
<b>9 Other Non-Financial Assets</b>		
<b>Current</b>		
Prepayments	39,678.55	4,391.36

**DARWIN FILM SOCIETY INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>10 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Stokes Hill Site	224,707.78	224,707.78
Less: Accumulated Amortisation	<u>(116,070.52)</u>	<u>(103,032.52)</u>
	108,637.26	121,675.26
Outdoor Seating & Facilities	50,872.03	50,004.31
Less: Accumulated Depreciation	<u>(31,132.49)</u>	<u>(32,694.86)</u>
Projection Equipment	184,767.63	224,006.56
Less: Accumulated Depreciation	<u>(138,559.07)</u>	<u>(197,111.62)</u>
	65,948.10	44,204.39
<b>Total Land and Buildings</b>	<u>174,585.36</u>	<u>165,879.65</u>
Office & Other Equipment	67,491.60	86,725.79
Less: Accumulated Depreciation	<u>(49,638.78)</u>	<u>(62,595.22)</u>
	17,852.82	24,130.57
<b>Total Plant and Equipment</b>	<u>17,852.82</u>	<u>24,130.57</u>
<b>Total Property, Plant and Equipment</b>	<u>192,438.18</u>	<u>190,010.22</u>

**Movements in Carrying Amounts of Property, Plant and Equipment**

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

	Stokes Hill Site	Outdoor Seating & Facilities	Projection Equipment	Office & Other Equipment	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2016	3,272.00	13,164.00	50,476.21	25,825.17	92,737.38
Additions	126,254.26	7,165.45	1,815.73	7,726.40	142,961.84
Depreciation expense	<u>(7,851.00)</u>	<u>(3,022.00)</u>	<u>(25,397.00)</u>	<u>(9,421.00)</u>	<u>(45,691.00)</u>
Balance at 31 Dec 2016	<u>121,675.26</u>	<u>17,307.45</u>	<u>26,894.94</u>	<u>24,130.57</u>	<u>190,008.22</u>
Additions	-	6,560.00	30,558.94	3,450.00	40,568.94
Disposals	-	(416.64)	-	(1,988.76)	(2,405.40)
Depreciation expense	<u>(13,038.00)</u>	<u>(3,713.27)</u>	<u>(11,245.32)</u>	<u>(7,738.99)</u>	<u>(35,735.58)</u>
Carrying amount at	<u>108,637.26</u>	<u>19,737.54</u>	<u>46,208.56</u>	<u>17,852.82</u>	<u>192,436.18</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>11 Accounts Payable and Other Payables</b>		
<b>Current</b>		
Other Creditors & Accruals	1,507.21	1,004.80
Trade Creditors	2,718.92	4,408.04
Credit Card Facility	684.01	243.67
GST Payable	16,272.00	7,404.56
Amounts Withheld	4,318.62	2,352.00
Provision for Holiday Pay	4,545.88	9,935.52
	30,046.64	25,348.59
<b>12 Other Liabilities</b>		
<b>Current</b>		
Income in Advance	117.00	-
<b>Unexpended Grants</b>		
Arts NT, Darwin International Film Festival	20,000.00	15,000.00
Community Benefit Fund, Speakers	19,985.06	-
	39,985.06	15,000.00
	40,102.06	15,000.00
<b>13 Retained Earnings</b>		
Retained earnings at the beginning of the financial period	759,351.52	622,173.68
(Net loss) Net profit attributable to the association	(7,686.82)	137,177.84
Retained earnings at the end of the financial period	751,664.70	759,351.52
<b>14 Cash Flow Information</b>		
<b>Reconciliation of Cash Flow from Operations with Profit after Income Tax</b>		
Profit (Loss) after income tax	(7,686.82)	137,177.84
<b>Non-cash flows in profit</b>		
Loss on sale of non-current assets	2,397.52	-
Depreciation	35,743.46	45,691.00

**DARWIN FILM SOCIETY INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries</b>		
(Increase) Decrease in current inventories	10,804.95	(3,916.38)
(Increase) Decrease in current receivables	(6,390.16)	-
(Increase) Decrease in prepayments	(35,287.19)	1,219.28
Increase (Decrease) in trade creditors	(1,689.12)	3,510.57
Increase (Decrease) in other creditors	11,776.81	(9,916.57)
Increase (Decrease) in current provisions	(5,389.64)	9,756.55
Increase (Decrease) in income in advance	117.00	-
Increase (Decrease) in unexpended grants	24,985.06	(20,000.00)
	<u>29,381.87</u>	<u>163,522.29</u>

## **15 Risk Management**

The association is exposed to a variety of financial risks associated with its activities.

This note discloses the association's objectives, policies and processes for managing and measuring these risks.

The association's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of income and expenses.

The association does not speculate in financial assets.

The association does not have any derivative instruments at 31 December 2017.

The association does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

## **16 Association Details**

The registered office of the association is:

Jervois Road, Darwin, NT 0800

The principal place of business is:

Jervois Road, Darwin, NT 0800

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the association is a reporting entity and that this general purpose financial statement should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 1 to 16:

1. Present fairly the financial position of Darwin Film Society Inc. as at 31 December 2017 and its performance for the period ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Darwin Film Society Inc. will be able to pay its debts as and when they fall due.

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

**Chair:** \_\_\_\_\_  
Jeff Coulter

**Vice Chair:** \_\_\_\_\_  
John Schier

**Dated this                    day of March 2018**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF DARWIN FILM SOCIETY INC.  
ABN: 19 676 696 024**

**Report on the Financial Report**

I have audited the accompanying financial report of Darwin Film Society Inc. (the association) which comprises the statement of financial position as at 31 December 2017 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

**Committee's Responsibility for the Financial Report**

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Act and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF DARWIN FILM SOCIETY INC.  
ABN: 19 676 696 024**

**Auditor's Opinion**


In my opinion:

The financial report of Darwin Film Society Inc. is in accordance with the Associations Act including:

- (i) giving a true and fair view of the Association's financial position as at 31 December 2017 and of their performance and cash flows for the period ended on that date; and
- (ii) complying with the Australian Accounting Standards.

The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**Name of Firm:** Brian Tucker Accounting

**Name of Principal:**   
\_\_\_\_\_  
Brian Tucker CPA

**Address:** 1/991 Stanley Street, East Brisbane, Qld 4169

**Dated this 15<sup>th</sup> day of March 2018**

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**CERTIFICATE BY MEMBERS OF THE COMMITTEE**

I, Jeff Coulter of Darwin, certify that:

- (a) I attended the annual general meeting of the association held on\_\_\_\_\_.
- (b) The financial statements for the year ended were submitted to the members of the association at its annual general meeting.

**Dated this            day of March 2018**

**Chair:**

\_\_\_\_\_  
Jeff Coulter

**DARWIN FILM SOCIETY INC.**

ABN: 19 676 696 024

**INCOME AND EXPENDITURE STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>REVENUE</b>		
Admissions	439,330.57	394,293.64
Cinema & Venue Hire	43,254.41	41,418.06
Members' Subscriptions	53,511.79	57,821.00
Advertising & Sponsorship	105,974.09	57,723.18
Fundraiser Film Hire Fees	25,184.12	-
	<u>667,254.98</u>	<u>551,255.88</u>
<b>OTHER REVENUE</b>		
Interest Received	8,897.84	10,565.56
Recoveries	828.60	-
Other Revenue	7,538.54	6,850.74
<b>Grants Expended</b>		
Arts NT, Darwin International Film Festival	20,000.00	20,000.00
Arts NT, Spark Short Film Initiative	15,000.00	-
Festivals NT, Darwin International Film Festival	50,000.00	-
Dept. of the Chief Minister, Darwin International Film Festival	-	50,000.00
Screen Territory, Industry Development	-	6,000.00
Community Benefit Fund, Lights	4,297.00	-
Community Benefit Fund, Speakers	30,558.94	-
Community Benefit Fund, Tables & Chairs	-	2,294.00
Community Benefit Fund, Deck	-	93,262.00
Community Benefit Fund, Defibrillator	2,650.00	-
Community Benefit Fund, Softfall Matting	7,205.00	-
City of Darwin, Capricornia Festival	-	5,000.00
Territory Natural Resources, Cane Toad Traps	-	381.82
	<u>129,710.94</u>	<u>176,937.82</u>
Loss on Sale of Non-current Assets	(2,397.52)	-
Gross profit from trading	<u>122,717.19</u>	<u>121,473.81</u>
	<u>267,295.59</u>	<u>315,827.93</u>
	<u>934,550.57</u>	<u>867,083.81</u>

The accompanying notes form part of these financial statements.

**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**INCOME AND EXPENDITURE STATEMENT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>EXPENDITURE</b>		
Accountancy & Bookkeeping	21,960.00	19,500.00
Advertising & Marketing	34,194.68	45,568.20
Auditor's Remuneration	4,478.00	4,885.00
Bank Charges	9,835.36	3,270.18
Catering	2,387.72	3,193.65
Cinema Hire	21,454.77	11,818.18
Cleaning & Rubbish Removal	603.10	1,498.76
Community Arts & Film Support	31,730.91	4,775.91
Computer Expenses	7,786.46	6,603.32
Decorations & Supplies	7,433.57	2,970.57
Depreciation	35,743.46	45,691.00
Distribution	790.65	3,773.64
Electricity	1,651.13	1,437.73
Email, Internet & Website	3,586.35	3,180.91
Fees & Permits	8,473.49	3,090.03
Film Hire	172,261.73	150,994.64
Festival Costs	97,580.84	41,663.65
Freight & Couriers	6,341.31	6,355.96
Guests', Speakers' & Performers' Fees & Expenses	15,516.03	-
Grounds Maintenance	20,274.88	18,051.07
Hire of Equipment & Facilities	52,715.47	14,126.66
Holiday Pay, Movement in Provision	(5,389.64)	-
Insurance	16,450.57	15,553.02
Kiosk Materials	1,982.30	2,052.63
Membership Expenses	773.63	1,061.00
Motor Vehicle Allowances	118.15	42.40
Postage	449.76	1,713.88
Printing & Design, Program etc.	46,136.77	39,011.55
Printing, Stationery & Office Supplies	2,465.41	1,856.85
Repairs & Maintenance	2,688.37	9,295.85
Replacements & Minor Asset Purchases	7,865.95	3,423.35
Security Costs	1,918.75	905.90
Seminars & Conferences	659.09	272.73
Staff Amenities & Sundries	47.14	-
Staff Training	163.64	559.36
Staff Meetings & Travel	455.65	812.28
Subscriptions	3,548.43	2,211.86
Superannuation Contributions	-	20,697.21

The accompanying notes form part of these financial statements.



**DARWIN FILM SOCIETY INC.**  
**ABN: 19 676 696 024**

**INCOME AND EXPENDITURE STATEMENT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
Superannuation Contributions	24,563.57	-
Telephone	3,572.43	4,395.00
Ticketing & Booking Fees	13,523.10	-
Uniforms	-	477.27
Wages	263,444.41	231,054.77
Workers' Compensation Insurance	-	2,060.00
	<u>942,237.39</u>	<u>729,905.97</u>
(Loss) Profit before income tax	<u>(7,686.82)</u>	<u>137,177.84</u>
<b>(Loss) Profit for the period</b>	<b>(7,686.82)</b>	<b>137,177.84</b>
Retained earnings at the beginning of the financial period	<u>759,351.52</u>	<u>622,173.68</u>
<b>Retained earnings at the end of the financial period</b>	<u><b>751,664.70</b></u>	<u><b>759,351.52</b></u>

The accompanying notes form part of these financial statements.