



2016

ANNUAL REPORT

MEDIA RESOURCE CENTRE

MAKE IT

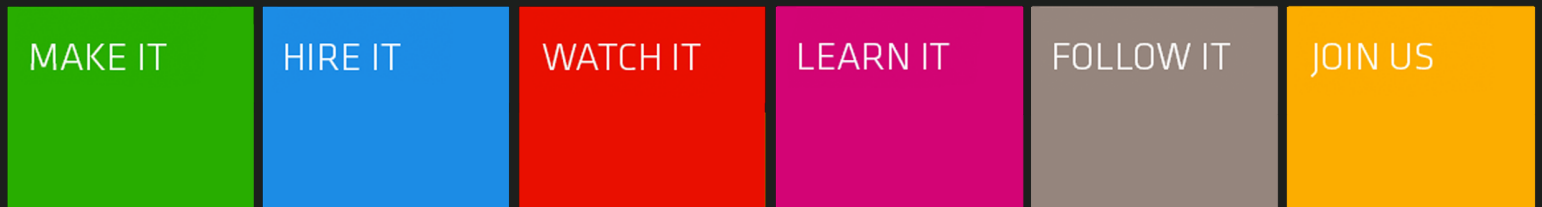
HIRE IT

WATCH IT

LEARN IT

FOLLOW IT

JOIN US



MEDIA REOURCE CENTRE INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

CONTENTS

Report of the Committee	2
Independent Auditor's Report	3
Income & Expenditure Statement	5
Balance Sheet	6
Cash Flow Statement	7
Notes to Financial Statements	8
Statement by Members of the Committee	12

MEDIA RESOURCE CENTRE INC.

REPORT OF THE COMMITTEE

FOR THE YEAR ENDED 31 DECEMBER 2016

Your committee submit the financial statements of the Media Resource Centre Inc. for the financial year ended 31 December 2016.

Committee Members

The following persons were committee members of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Chairperson & Treasurer Anthony Keenan

Public Officer: Gail Kovasteff

Committee: Claire Harris	Alison Wotherspoon (appointed May 2016)
Mark Stevens	David Ngo (new 2016)
Mark Knight	Mike Walsh (resigned May 2016)
Michael Clarkin (appointed May 2016)	Patti Greethead (resigned May 2016)
Maddy Parry (appointed May 2016)	Allan Collins (resigned May 2016)
Kirsty Stark (appointed May 2016)	Sandy George (resigned May 2016)

In accordance with Section 35 (5) of the Associations Act 1985, the committee hereby states that during the financial year ended 31 December 2016:

- a) (1) no officer of the Association
(2) no firm of which an officer is a member, and
(3) no body corporate in which an officer has a substantial financial interest,

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or corporate body and the Association.

- b) No officer of the Association has received directly or indirectly from the Association any payment or other pecuniary value.

Principal Activities

The principal activities of the Association during the financial year were to:

- generate, support and advocate for a creative, critical and informed screen culture and practice in South Australia,
- provide a focal point for screen practitioners to meet, produce and exhibit their work,
- provide facilities, programs and resources for members and the public,
- advocate for members and the general public,
- provide exhibition facilities and programs to the general public and members, and
- provide equitable access to affordable equipment and facilities, information resources and advice concerning production, distribution and exhibition.

Operating Result

31/12/2016 31/12/2015

\$ \$

The surplus / (deficit) from ordinary activities amounted to:

(87,207) 19,637

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



Anthony Keenan - Chairperson



Mark Knight - Committee Member

Dated this day of May 2017

RSM Australia Pty LtdEquinox Building 4, Level 2, 70 Kent Street Deakin
ACT 2600

GPO Box 200 Canberra ACT 2601

T +61 (0) 2 6217 0300

F +61 (0) 2 6217 0401

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MEDIA RESOURCE CENTRE INCORPORATED

Opinion

We have audited the financial report of Media Resource Centre Incorporated, which comprises the statement of financial position as at 31 December 2016, the statement of 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 Report of the Committee.

In our opinion, the accompanying financial report presents fairly, in all material respects the financial position of Media Resource Centre Incorporated as at 31 December 2016, and its performance and cash flows for the year then ended in accordance with Note 1 to the financial statements and the Associations Incorporation Act (SA) 1985.

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 Media Resource Centre Incorporated in accordance with the auditor independence 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Media Resource Centre Incorporated to meet the requirements of Associations Incorporation Act (SA) 1985. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

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 website at: <http://www.auasb.gov.au/Pronouncements/Australian-Auditing-Standards/Auditors-Responsibilities.aspx>. This description forms part of our auditor's report.

RSM AUSTRALIA



R MILLER
Director

Dated: 25th May 2017
Canberra, Australian Capital Territory

MEDIA RESOURCE CENTRE INC

**INCOME EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	\$	\$
Income		
Interest	8,272	9,574
Operating grants	270,500	498,986
Special projects	104,122	172,521
Production support	85,967	37,235
Exhibition & Cinema	323,611	284,048
Membership subscriptions	10,284	8,696
Sundry income	9,788	4,727
Administration	659	13,394
	<u>813,203</u>	<u>1,029,181</u>
Expenditure		
Administration	138,010	223,812
Advertising & publicity	26,695	9,837
Audit fees	4,635	4,500
Bad and doubtful debts	1,809	4,560
Bank Fees	6,541	6,634
Depreciation	48,929	52,216
Exhibition & cinema	104,247	115,402
Employee entitlements	5,015	5,940
Interest Paid	38	-
Lease payments	3,313	4,387
Production support	130,712	160,281
Repairs & maintenance	4,480	10,186
Salaries - ordinary	389,143	374,089
Superannuation	35,599	37,550
Website development	1,244	150
	<u>900,410</u>	<u>1,009,544</u>
Surplus / (Deficit) before income tax	(87,207)	19,637
Income tax expense	1 (f) -	-
Surplus / (Deficit) after income tax	<u>(87,207)</u>	<u>19,637</u>
Retained surplus at the beginning of the financial year	480,110	460,473
Retained surplus at the end of the financial year	<u>392,903</u>	<u>480,110</u>

The accompanying notes form part of these financial statements

MEDIA RESOURCE CENTRE INC

**BALANCE SHEET
AS AT 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
Current Assets			
Cash	2	475,593	519,432
Trade Receivables	3	53,799	107,276
Prepayments		4,594	4,360
Accrued Interest		1,021	1,036
Stock		4,446	3,377
Total Current Assets		<u>539,453</u>	<u>635,481</u>
Non-Current Assets			
Plant & Equipment	4	<u>89,838</u>	<u>136,481</u>
Total Non-Current Assets		<u>89,838</u>	<u>136,481</u>
Total Assets		<u>629,291</u>	<u>771,962</u>
Current Liabilities			
Trade Creditors		5,342	30,224
Other Payables	5	20,894	37,990
Provisions - Employee Entitlements	6	59,497	54,482
Unspent Project Funds		150,655	169,156
Total Current Liabilities		<u>236,388</u>	<u>291,852</u>
Total Liabilities		<u>236,388</u>	<u>291,852</u>
Net Assets		<u>392,903</u>	<u>480,110</u>
Members Funds			
Retained Surplus		392,903	480,110
Total Members Funds		<u>392,903</u>	<u>480,110</u>

The accompanying notes form part of these financial statements

MEDIA RESOURCE CENTRE INC

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

		2016	2015
		\$	\$
	Note		
Cash Flow From Operating Activities			
Receipts from customers		857,122	950,863
Payments to suppliers and employees		(903,596)	(856,286)
Interest received		8,272	9,791
Interest and other costs of finance		(3,351)	(4,387)
Net cash provided by / (used in) operating activities	7	<u>(41,553)</u>	<u>99,981</u>
Cash Flow From Investing Activities			
Payments for plant and equipment		<u>(2,286)</u>	<u>(13,077)</u>
Net cash provided by / (used in) operating activities		<u>(2,286)</u>	<u>(13,077)</u>
Net increase / (decrease) in cash held		(43,839)	86,904
Cash at the beginning of the year		519,432	432,528
Cash at the end of the year		<u><u>475,593</u></u>	<u><u>519,432</u></u>

The accompanying notes form part of these financial statements

MEDIA RESOURCE CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Statement of Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial requirements of the Association Incorporation Act (SA). The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accrual basis (except for income derived from donations, which are recognised on receipt) and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuation of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report. Comparative information is reclassified where appropriate to enhance comparability.

(a) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

(b) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised as it accrues in the profit or loss, using the effective interest rate method.

Grant income is recognised when the entity obtains control over the funds which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

(c) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(d) Property, Plant and Equipment (PPE)

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association from the time the asset is held ready for use.

(e) Impairment

At each reporting date, the entity reviews the carrying values of its tangible 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 asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

MEDIA RESOURCE CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

(f) Income Tax

The association is exempt from income tax under Section 50-70 of the Income Tax Assessment Act 1997.

(g) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor are charged as expenses in the period in which they are incurred.

(h) 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 association 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.

(i) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

A provision for long service leave is calculated once an employee's period of service has reached 6 years and meets the requirements of a provision. At 6 years 50% of the expected provision is recognised and the remaining 50% at 7 years.

MEDIA RESOURCE CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 \$	2015 \$
2. Cash Assets		
Cash at bank	60,744	18,241
Cash on hand	1,500	1,635
Cash management account	186,101	273,919
Paypal	(1)	-
Term deposit	222,266	216,161
MRC donation fund	4,983	9,476
	<u>475,593</u>	<u>519,432</u>
3. Trade Receivables		
Trade receivables	53,799	107,276
	<u>53,799</u>	<u>107,276</u>
4. Plant and Equipment		
Cost		
Balance at 1 January	346,733	363,776
Additions	2,286	13,077
Disposals	<u>(25,713)</u>	<u>(30,120)</u>
Balance at 31 December	<u>323,306</u>	<u>346,733</u>
Depreciation		
Balance at 1 January	210,252	188,156
Depreciation for year	48,929	52,216
Write-back on disposals	<u>(25,713)</u>	<u>(30,120)</u>
Balance at 31 December	<u>233,468</u>	<u>210,252</u>
Carrying Amounts		
At 1 January	136,481	175,620
At 31 December	89,838	136,481
5. Other Payables		
GST payable	4,614	13,164
Other payables	2,988	12,411
Amounts withheld from salaries and wages	4,935	8,889
Superannuation payable	8,357	3,526
	<u>20,894</u>	<u>37,990</u>
6. Provisions		
Employee entitlements - annual leave	22,747	26,924
Employee entitlements - long service leave	36,750	27,558
	<u>59,497</u>	<u>54,482</u>

MEDIA RESOURCE CENTRE INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 \$	2015 \$
7. Reconciliation of Net Cash to Operating Activities		
Operating surplus / (deficit)	(87,207)	19,637
Depreciation	48,929	52,216
Changes in assets and liabilities		
(Increase) / decrease in trade receivables	53,477	(70,114)
(Increase) / decrease in prepayments	(234)	3,027
(Increase) / decrease in stock	(1,069)	(1,657)
(Increase) / decrease in accrued interest	15	216
Increase / (decrease) in trade creditors	(24,882)	16,495
Increase / (decrease) in other creditors	(17,096)	19,238
Increase / (decrease) in provisions	5,015	5,940
Increase / (decrease) in unspent project funds	(18,501)	54,983
Net cash provided by / (used in) operating activities	(41,553)	99,981

8. Economic Dependence

The MRC continues to do its business with support including from the South Australian Film Corporation, Arts South Australia and the Office for the Ageing.

In recent times, the MRC has grown its earned income revenues particularly box office, venue hire, candy bar and sponsorship.

Given the loss of on-going support from the federal government via Screen Australia, the MRC continues to work itself back to a break-even cash result.

MEDIA RESOURCE CENTRE INC.

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report 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 5 to 11:

- 1 Presents fairly the financial position of the Media Resource Centre Inc. as at 31 December 2016 and its performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe the Media Resource Centre 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 Committee by:



Anthony Keenan - Chairperson



Mark Knight - Committee Member

Dated this day of May 2017