

Ballaarat Mechanics Institute

ACN 004 034 575

Financial Statements

For the Year Ended 30 April 2022

Ballaarat Mechanics Institute

ACN 004 034 575

Contents

For the Year Ended 30 April 2022

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Ballaarat Mechanics Institute

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Directors' Report **30 April 2022**

The Directors present this report on the Institute for the financial year ended 30 April 2022.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	
Mike Stephens	President	
Prof Terry Lloyd	Immediate Past President	Resigned August 2021
Paula Nicholson	Vice President	
Jane Valpied	Vice President	
Paulene Barton	Treasurer	
Peter Dowling	Treasurer	Resigned November 2021
Ross Furness	Secretary	
Prue Bentley	Director	
David Berry	Director	Resigned August 2021
Andrew Miller	Director	Resigned August 2021
Dr Phil Roberts OAM	Director	Resigned August 2021

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The Institute has maintained and developed its heritage building and collections during this financial year. It has made them accessible to the community through the library, tours of the building and hire of rooms for functions.

No significant changes in the nature of the Institute's activities occurred during the financial year.

Members' guarantee

The Ballaarat Mechanics Institute is a not for profit company limited by guarantee registered with the Australian Securities and Investment Commission (ASIC) under the *Corporations Act 2001*. If the Institute is wound up, under the provisions of its Articles of Association (dated 1888), each member is required to contribute a maximum of one pound (\$2) towards meeting any outstanding obligations of the Institute. At 30 April 2022 the collective liability of the members was 516 pounds (\$1,032).

Ballaarat Mechanics Institute

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Directors' Report

30 April 2022

Information on Directors

Mike Stephens	President
Responsibilities	Collections Task Force Committee
Experience	Agriculture Consultant, Dip FM, MSc, FAIA, FAICD, Churchill Fellow
Prof Terry Lloyd	Immediate Past President
Responsibilities	Director
Experience	Retired University Deputy Vice Chancellor, Former CEO and president of Sovereign Hill Museums Association
Paula Nicholson	Vice President
Responsibilities	Membership and Fundraising Committee
Experience	Human Resource, Business Analysis and Sales
Jane Valpied	Vice President
Responsibilities	Building and Assets Committee
Experience	Property Valuer
Peter Dowling	Treasurer
Responsibilities	Finance, Risk & Audit Committee
Experience	Bachelor of Commerce and Arts, Diploma of Real Estate, Retired General Manager
Ross Furness	Secretary
Responsibilities	Finance, Risk & Audit Committee and Building and Assets Committee
Experience	Human Resources Manager
Paulene Barton	Treasurer
Responsibilities	Finance, Risk & Audit Committee, Nominations, Selection & Remuneration Committee
Experience	Accountant, BMus, DipEd, DipBus, BAcc, GAICD.
Prue Bentley	Director
Responsibilities	Membership & Fundraising Committee, Events Committee
Experience	Chief of Staff Ballarat ABC, Bachelor of Communications, Graduate Diploma of Radio Broadcasting, Expertise in Journalism
David Berry	Director
Responsibilities	Communication, Fundraising & Member Services Committee and Finance, Risk & Audit Committee
Experience	Retired Engineer, IT Specialist, Management Consultant
Andrew Miller	Director
Responsibilities	Building Committee
Experience	BEng (Civil)
Dr Phil Roberts OAM	Director
Responsibilities	Collections Committee
Experience	Author, retired School Principal, BA, MEd

Ballaarat Mechanics Institute

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Directors' Report

30 April 2022

Meetings of Directors

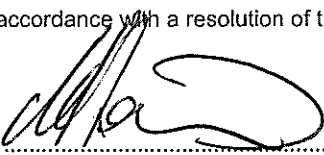
During the financial year, 7 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number Eligible to Attend	Number Meetings Attended
Mike Stephens	7	7
Prof Terry Lloyd	2	1
Paula Nicholson	7	7
Jane Valpied	7	6
Peter Dowling	4	3
Ross Furness	7	5
Paulene Barton	7	5
Prue Bentley	7	7
David Berry	-	-
Andrew Miller	3	1
Dr Phil Roberts OAM	3	1

Reviewer's Independence Declaration

The reviewer's independence declaration in accordance with Division 60 of the *Australian Charities and Not-for-profit Commission Act 2012* for the year ended 30 April 2022 has been received and can be found on page 4 of the financial report.

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

President: 
Mike Stephens

Treasurer: 
Paulene Barton

Dated 26 September 2022

Ballaarat Mechanics Institute

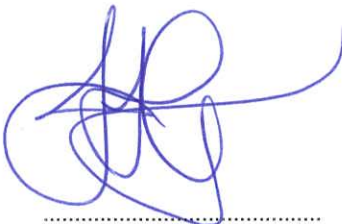
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Reviewer's Independence Declaration under Division 60 of the Australian Charities and Not-for-profit Commission Act 2012 to the Directors of Ballaarat Mechanics Institute

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

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

CountPro Audit Pty Ltd
CountPro Audit Pty Ltd

A handwritten signature in blue ink, appearing to read "JH", is written over a horizontal dotted line.

Jason Hargreaves
Director

180 Eleanor Drive, Lucas

26 September 2022

Ballaarat Mechanics Institute

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Statement of Comprehensive Income For the Year Ended 30 April 2022

	2022	2021
	\$	\$
INCOME		
Rent		
Room Hire - Fees and Charges	58,762	13,211
Shops and Wall	33,702	40,876
Sutton Room	30,055	31,048
	<hr/>	<hr/>
	122,519	85,135
Library		
Book Club	417	173
Fees & Charges	41	795
Subscriptions	24,736	26,960
Sundry Income	914	3,008
	<hr/>	<hr/>
	26,108	30,936
Fundraising		
Donations	42,524	35,784
	<hr/>	<hr/>
	42,524	35,784
Other		
Bar Takings & Functions	13,467	10,823
Bond Forfeitures	500	-
Cashflow Boost	-	13,721
Dept Jobs, Precincts & Regions	-	7,000
Fundraising	-	1,565
Interest	94	286
Job-Keeper Subsidy	-	118,350
Live Music Venues Program Income	-	75,250
Markets and Workshops	5,770	-
Max Harris Income	998	925
Minerva Book Sales	4,691	2,685
Other Income	-	322
Photocopying	-	2
Pop Up Shop	5,669	3,235
Tours	582	464
Twilight Lectures	918	2,287
Vic Govt Business Support Grant	-	20,000
	<hr/>	<hr/>
	32,689	256,915
	<hr/>	<hr/>
	223,840	408,770

The accompanying notes form part of these financial statements.

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**Statement of Comprehensive Income
For the Year Ended 30 April 2022**

	2022	2021
	\$	\$
EXPENDITURE		
Accounting Fees	-	3,850
Advertising	3,520	2,156
Agent's Commissions & Fees	811	3,624
Artists for Functions	18,625	5,202
Audit Fees	6,200	4,650
Audit Fees - BMI Foundation	-	1,500
Bad & Doubtful Debts Expense	-	3,048
Bank Charges & Merchant Fees	1,485	1,194
Catering & Bar	9,065	1,644
Cleaning	3,991	6,032
Consulting	9,418	2,201
Discount for Function Space	-	1,116
Fees and Permits	248	1,195
Fire Protection	2,377	2,454
Gas & Electricity	11,272	8,084
Insurance	26,748	25,708
Library Supplies	(5)	-
Live Music Venues Program Expenses	-	43,107
Minor Equipment	163	1,251
Other	1,229	711
Printing & Stationery	5,046	6,383
Rates	3,580	784
Registration Fees	9,225	2,610
Repairs & Maintenance	18,743	26,742
Software Expense	2,624	4,173
Staff Costs	2,323	1,106
Staff Remuneration	228,868	210,569
Telephone & Internet	4,601	3,287
Water	-	2,381
Website Expenses	-	1,365
	<u>370,157</u>	<u>378,127</u>
Operating Surplus/(Deficit) for the Year	(146,317)	30,643
Capital Income	309,370	9,230
Capital Expenditure	(40,000)	(25)
Depreciation	(101,124)	(103,789)
Net Surplus/(Deficit) for the Year	<u>21,929</u>	<u>(63,941)</u>
Other Comprehensive Income		
Revaluation Increment of Land and Buildings	-	-
Total Comprehensive Income	<u>21,929</u>	<u>(63,941)</u>

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As at 30 April 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3	145,011	290,861
Trade and Other Receivables	4	16,102	11,570
Inventories	5	3,373	2,815
TOTAL CURRENT ASSETS		164,486	305,246
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	4,986,413	4,917,070
TOTAL NON-CURRENT ASSETS		4,986,413	4,917,070
TOTAL ASSETS		5,150,899	5,222,316
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	7	44,179	37,852
Income in Advance	8	44,391	154,711
Provisions	9	50,875	40,718
TOTAL CURRENT LIABILITIES		139,445	233,281
NON-CURRENT LIABILITIES			
Provisions	9	2,384	1,894
TOTAL NON-CURRENT LIABILITIES		2,384	1,894
TOTAL LIABILITIES		141,829	235,175
NET ASSETS		5,009,070	4,987,141
EQUITY			
Retained Earnings		895,499	873,570
Asset Revaluation Reserve		4,113,571	4,113,571
TOTAL EQUITY		5,009,070	4,987,141

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 April 2022

2022

	Retained Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 May 2021	873,570	4,113,571	4,987,141
Surplus attributable to members	21,929	-	21,929
Balance at 30 April 2022	<u>895,499</u>	<u>4,113,571</u>	<u>5,009,070</u>

2021

	Retained Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 May 2020	937,511	4,113,571	5,051,082
Deficit attributable to members	(63,941)	-	(63,941)
Balance at 30 April 2021	<u>873,570</u>	<u>4,113,571</u>	<u>4,987,141</u>

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 April 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers	218,395	437,182
Payments to Suppliers and Employees	(392,922)	(395,308)
Capital Grants Received	199,050	73,911
Interest Received	94	286
Net Cash Provided by Operating Activities	10 <u>24,617</u>	<u>116,071</u>
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	<u>(170,467)</u>	<u>(22,210)</u>
Net Cash Used in Investing Activities	<u>(170,467)</u>	<u>(22,210)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents Held	(145,850)	93,861
Cash and Cash Equivalents at Beginning of Year	<u>290,861</u>	<u>197,000</u>
Cash and Cash Equivalents at end of Financial Year	3 <u><u>145,011</u></u>	<u><u>290,861</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 April 2022

1 Basis of Preparation

The directors have prepared the financial statements on the basis that the Institute is not a reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore a special purpose financial report that has been prepared in order to meet the requirements of section 60.40 of the *Australian Charities and not-for-profits Commission Regulations 2013*. The Institute is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The Financial Statements have been prepared in accordance with mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless otherwise stated.

These financial statements comply with all the recognition and measurement requirements in the Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in notes.

These financial statements comply with all the recognition and measurement requirements in the Australian Accounting Standards.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Notes to the Financial Statements

For the Year Ended 30 April 2022

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

None of the revenue streams of the Institute have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Grant Revenue

Where grant revenue arises from an agreement which is enforceable and contain sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Other income

Revenue recognised under AASB 1058 is recognised at the time of receipt.

(b) 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 statement of financial position.

(c) Inventories

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

(d) Property, Plant and Equipment

Land & Buildings have been recorded at Market Value, based on a valuation performed by Leader Property Practice on 12th May 2020. Any items recorded at cost relate to capital works currently been completed and are not in use.

Plant & Equipment are initially recorded at cost. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

Fixed assets are depreciated over their estimated useful lives to the Institute. Depreciation rates used for each class of depreciable asset vary between 2% and 100%.

(e) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

Notes to the Financial Statements

For the Year Ended 30 April 2022

2 Summary of Significant Accounting Policies

(e) Financial Instruments

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

Financial Assets

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

Classification

On initial recognition, the Association classifies its financial assets at amortised cost.

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

Amortised cost

Assets measured at amortised cost are financial assets where:

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

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

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

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for assets measured at amortised cost.

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

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

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

Notes to the Financial Statements

For the Year Ended 30 April 2022

2 Summary of Significant Accounting Policies

(e) Financial Instruments

Financial Assets

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

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

Trade receivables

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

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

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

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial Liabilities

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

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

(f) Employee Benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cash outflows are discounted using market yield on notional

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Notes to the Financial Statements For the Year Ended 30 April 2022

2 Summary of Significant Accounting Policies

(f) **Employee Benefits**
government bonds with terms to maturity that match the expected timing of cashflows.

(g) **Income Tax**

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

(h) **Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

3 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash on Hand	1,300	1,200
Cash at Bank	143,711	289,661
	<u>145,011</u>	<u>290,861</u>

4 Trade and Other Receivables

Trade Receivables	12,856	7,505
Less Provision for Doubtful Debts	(3,787)	(3,787)
	<u>9,069</u>	<u>3,718</u>
Prepayments	7,033	7,852
	<u>16,102</u>	<u>11,570</u>

5 Inventories

Bar Stock - At Cost	3,373	2,815
	<u>3,373</u>	<u>2,815</u>

Ballaarat Mechanics Institute

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Notes to the Financial Statements

For the Year Ended 30 April 2022

6 Property, Plant and Equipment

	2022	2021
	\$	\$
LAND AND BUILDINGS		
At Valuation - 2020	4,860,000	4,860,000
At Cost	173,180	-
Accumulated Depreciation	(137,909)	(67,740)
Work in Progress	-	14,976
	<u>4,895,271</u>	<u>4,807,236</u>
PLANT AND EQUIPMENT		
At Cost	507,727	500,921
Accumulated Depreciation	(458,738)	(436,655)
	<u>48,989</u>	<u>64,266</u>
LIBRARY		
At Cost	246,835	241,378
Accumulated Depreciation	(204,682)	(195,810)
	<u>42,153</u>	<u>45,568</u>
	<u><u>4,986,413</u></u>	<u><u>4,917,070</u></u>

(a) 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:

	Land & Buildings	Plant & Equipment	Library	Total
	\$	\$	\$	\$
Balance at the beginning of year				
Balance at the beginning of year	4,807,236	64,266	45,568	4,917,070
Additions	158,204	6,806	5,457	170,467
Depreciation Expense	(70,169)	(22,083)	(8,872)	(101,124)
Balance at the end of the year	<u><u>4,895,271</u></u>	<u><u>48,989</u></u>	<u><u>42,153</u></u>	<u><u>4,986,413</u></u>

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Notes to the Financial Statements

For the Year Ended 30 April 2022

7 Trade and Other Payables

	2022	2021
	\$	\$
Trade Creditors	3,283	2,932
GST Payable	27,185	20,859
PAYG Tax Withheld	2,196	2,256
Bonds Held	11,515	11,805
	<u>44,179</u>	<u>37,852</u>

8 Income in Advance

Income in Advance	<u>44,391</u>	<u>154,711</u>
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9 Provisions

CURRENT

Provision for Annual Leave	23,478	13,570
Provision for Long Service Leave	27,397	27,148
	<u>50,875</u>	<u>40,718</u>

NON-CURRENT

Provision for Long Service Leave	2,384	1,894
	<u>2,384</u>	<u>1,894</u>

10 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Surplus/(Deficit) for the Year	21,929	(63,941)
Non-cash flows		
- Depreciation	101,124	103,789
Changes in Assets and Liabilities		
- (Increase)/Decrease in Trade and Other Receivables	(4,532)	22,974
- (Increase)/Decrease in inventories	(558)	(2,815)
- Increase/(Decrease) in Income in Advance	(110,320)	64,681
- Increase/(Decrease) in Trade and Other Payables	6,327	(16,800)
- Increase/(Decrease) in Provisions	10,647	8,183
Cashflows from Operations	<u>24,617</u>	<u>116,071</u>

11 Reserves

Asset Revaluation Reserve

The asset revaluation reserve records unrealised gains on the revaluation of land and buildings.

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Notes to the Financial Statements

For the Year Ended 30 April 2022

12 Events after the end of the Reporting Period

The financial report was authorised for issue on 26 September 2022 by the board of directors.

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

13 Institute Details

The registered office of the Institute is:

117 Sturt Street

BALLARAT VIC 3350

Ballaarat Mechanics Institute

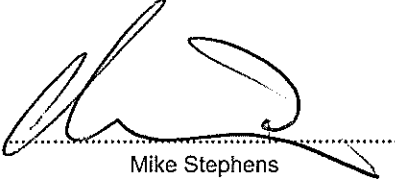
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Directors' Declaration

The Directors declare that in their opinion:

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

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

President

Mike Stephens

Treasurer

Paulene Barton

Dated 26 September 2022

**INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT
TO THE MEMBERS OF BALLAARAT MECHANICS INSTITUTE INC**

We have reviewed the accompanying financial statements of Ballaarat Mechanics Institute, which comprise the balance sheet as at 30 April 2022, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information and the Directors Declaration.

The financial statements have been prepared in order to meet the financial reporting requirements of the *Australian Charities and Non-for-profits Commission Act 2012*.

Directors' Responsibility for the Financial Statements

The Directors' is responsible for the preparation of these financial statements in accordance with the financial reporting requirements of the *Australian Charities and Non-for-profits Commission Act 2012*, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Assurance practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with Standard on Review Engagements ASRE 2400, *Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity*. ASRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ASRE 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Australian Auditing Standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

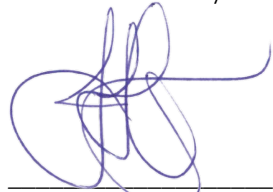
Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not prepared, in all material respects, in accordance with the financial reporting requirements of the *Australian Charities and Non-for-profits Commission Act 2012*.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our conclusion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Ballaarat Mechanics Institute to comply with the financial reporting requirements of the *Associations Incorporation Reform Act (Vic) 2012*. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Ballaarat Mechanics Institute and should not be distributed to or used by any other parties.

CountPro Audit Pty Ltd

CountPro Audit Pty Ltd



Jason Hargreaves (Director)

180 Eleanor Drive, Lucas
27 September 2022