

Canteen Treasurer's Report - year ended 31 October 2015 (FY15)

The canteen continues to be in a very strong financial position.

The canteen generated an unaudited profit of \$40,224 (36% higher than FY14) with canteen sales of \$235,284 (1% higher than FY14), supplier payments of \$121,909 (similar to last year) and expenditure of \$75,720 (7% lower than FY14). The lower expenditure was mainly due to the absence of any repair and maintenance expenditure this year (\$3,000 in FY14) and the impact of last year's accounting change (Wages were moved to an accrual basis in FY14 causing a one-off increase in FY14 Wages of approximately \$3,000).

The canteen transferred \$40,000 to the P&C during the year. This is substantially higher than in previous years.

The canteen had \$60,523 in its bank accounts at 31 Oct 2015 (Cheque account \$23,870 and Deposit account \$36,653). After allowing for pending payments and income due, the canteen has funds of approximately \$50,000. As the canteen is required to retain a minimum balance of \$35,000, a transfer to the P&C of \$15,000 is possible.

Based on the current performance, the canteen is expected to generate funds of approximately \$30,000 - \$35,000 p.a.

The long service leave liability is currently estimated at \$9,100. This has been included on the balance sheet for the first time in these accounts. This reduces proprietor's funds to \$52,596.

The canteen committee continues to assess whether additional paid staff may be required in the future to assist with the increased workload and variations in the level of volunteer support.

The daily counting of cash continues to cause problems with 68 instances of cash being different to the amount counted by the bank. In total, this amounted to a relatively small understatement of cash counted of \$406 (less than 0.2% of total sales, and less than the 103 instances totalling \$479 seen in FY14). The canteen's auditor (Tim Gleeson) raised this as an important audit point in last year's accounts. The canteen has purchased a cash counting machine to try and reduce the number of counting errors. This issue will be closely monitored in FY16.

Paul Nuttall

Canteen Treasurer

25 November 2015

NBSC MANLY SELECTIVE CAMPUS CANTEEN

**BALANCE SHEET
AS AT 31 OCTOBER 2015**

	Unaudited	
	2015	2014
	\$	\$
ASSETS		
CURRENT ASSETS		
Westpac Cheque a/c	23,870.05	8,373.40
Westpac Deposit a/c	36,653.01	51,011.26
Petty Cash	42.23	-
Cash Float	250.00	250.00
Cash (not yet banked)	1,083.00	1,044.00
Refund due from ATO	1,736.00	
Payment due from school	1,560.00	2,849.00
Stock on Hand	6,340.13	4,445.49
TOTAL CURRENT ASSETS	<u>71,534.42</u>	<u>67,973.15</u>
NON-CURRENT ASSETS		
Plant and Equipment	7,852.73	7,852.73
Less: Accumulated Depreciation	- 3,927.10	- 3,234.34
	<u>3,925.63</u>	<u>4,618.39</u>
TOTAL NON-CURRENT ASSETS	<u>3,925.63</u>	<u>4,618.39</u>
TOTAL ASSETS	<u>75,460.05</u>	<u>72,591.54</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade Creditors	10,199.40	6,667.12
Wages, super & tax payable	3,606.94	4,494.84
Long Service Leave	9,058.00	
TOTAL CURRENT LIABILITIES	22,864.34	11,161.96
TOTAL LIABILITIES	22,864.34	11,161.96
NET ASSETS (LIABILITIES)	52,595.71	61,429.58
PROPRIETOR'S FUNDS		
Profit for the year	40,224.13	29,629.05
Accumulated funds at the beginning of the year	61,429.58	51,800.53
Profit transferred to P&C	- 40,000.00	- 20,000.00
Recognition of LSL on the balance sheet	- 9,058.00	
Accumulated funds at the end of the year	<u>52,595.71</u>	<u>61,429.58</u>

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**PROFIT & LOSS STATEMENT
FOR THE YEAR ENDING 31st OCTOBER 2015**

	Unaudited	
	2015	2014
	\$	\$
SALES		
Canteen Sales	<u>235,284.43</u>	<u>232,576.20</u>
LESS COST OF GOODS SOLD		
Opening Stock	4,445.49	5,168.85
Purchases	121,909.14	121,514.20
Closing Stock	- 6,340.13	- 4,445.49
	<u>120,014.50</u>	<u>122,237.56</u>
GROSS PROFIT FROM TRADING	115,269.93	110,338.64
OTHER INCOME		
Interest Received	<u>674.43</u>	<u>977.53</u>
	<u>115,944.36</u>	<u>111,316.17</u>
EXPENDITURE		
Bank Fees	27.25	59.00
Depreciation	692.76	815.01
Gifts	403.85	378.85
Repairs & Maintenance	-	3,228.50
Superannuation	6,532.45	5,896.58
Telephone	352.68	388.88
Wages	66,068.06	69,271.79
Workers Compensation	1,453.18	1,468.51
Other expenses	190.00	180.00
	<u>75,720.23</u>	<u>81,687.12</u>
PROFIT	<u>40,224.13</u>	<u>29,629.05</u>

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Notes to the 2015 Accounts

- 1 Income & expenditure (supplier payments) have been based on an accrual basis. FY14 accounts included a one-off increase in wages and super (\$4,495) caused by moving to an accrual basis. This distorts the FY15 to FY14 comparison
- 2 Depreciation is on the same basis as last year with the dishwasher and oven depreciated at 15% of the opening written down value. There was no new capitalised expenditure.
- 3 An estimate was made for petty cash expenditure which includes: expenditure on suppliers (\$400), Xmas thank you drink for canteen volunteers (\$170) and canteen committee meetings (\$190).
- 4 Bank account include a double payment to the ATO for \$1,736 (Oct 2015) which is shown as "Refund due from ATO". This has no impact on profit.
- 5 Stock has been based on a year end stock take and a partial review of price changes.
- 6 Long service leave (LSL) is estimated to be \$9,058 at (31/10/15). This has been included on the balance sheet for the first time (resulting in a reduction of proprietor's funds). The accounting treatment of this needs to be confirmed.
- 7 Accounts exclude a salary payment for \$3,027.83 on 3 Nov
- 8 Sales include additional income of \$406 credited by the bank due to the understatement of cash counted