

Australian Men's Shed Association Limited

Financial Statements

For the Financial Year Ended 30 June 2024

Australian Men's Shed Association Limited

Financial Statements For the Financial Year Ended 30 June 2024

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Australian Men's Shed Association Limited

Directors' Report

30 June 2024

Your directors present their report on the Company for the financial year ended 30 June 2024.

General information

Directors

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

Names

Luke Clifton (Chair)	Appointed on 1/2/2023
Helen Barker	Appointed on 27/2/2020
Bill Clifford	Term finished 14/12/2023
Stuart Eustice	Appointed on 24/8/2016
Barry Laubsch	Appointed on 5/12/2019
John Sharples	Appointed on 22/3/2018
Paul Sladdin	Term finished 26/3/2024
Trevor Gorey	Appointed on 1/2/2023
Trevor Dobbyn	Appointed on 1/2/2023
Michael Reddan	Appointed on 1/2/2023
Andrew Croxford	Appointed on 01/03/2024
David Seen	Appointed on 10/10/2023
Ian Tooke	Appointed on 14/12/2023

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

Company secretary

David Helmers held the office of company secretary throughout the financial year and up to the date of this report.

Objectives

The short-term objective of the Company is the promotion and provision of advice for the establishing, operating and management of Men's Sheds across Australia.

The long-term objective of the Company is to sustain existing Men's Sheds and develop further Sheds across Australia to assist with the provision of support and mental health services to communities across Australia.

Strategy

Lead a united Men's Shed movement by actively encouraging a united approach to supporting all Men's Sheds across Australia. Advance the objectives of the National Men's Health Strategy, maintain and develop new men's well-being and health partnerships.

Our Supporters

We thank our supporters who share the objectives of advancing men's shed movement. In particular we thank the Australian Government, corporate sponsors and donors for their continued financial support.

Australian Men's Shed Association Limited

Directors' Report

30 June 2024

Principal activities

Implement national initiatives and facilitate relevant education, research, activities and services for the benefit of shedders, member Men's Sheds and the Men's Shed movement.

- Promote positive male health and well-being outcomes for Australian men
- Advance an effective Men's Shed movement
- Lead best practice standards for Men's Sheds
- Continue effective governance and operations of the Australian Men's Shed Association (AMSA)

Performance measures

The Company measures its performance based on performance reporting to the Commonwealth and the AMSA Board. The AMSA is also periodically reviewed by independent assessments based on performance measured against the given deliverables of our funding agreement.

Meetings of directors

During the financial year, 3 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Luke Clifton (Chair)	3	3
Helen Barker	3	3
Bill Clifford	2	2
Stuart Eustice	3	3
Barry Laubsch	3	2
John Sharples	3	3
Paul Sladdin	3	3
Trevor Gorey	3	3
Trevor Dobbyn	3	3
Michael Reddan	3	2
Andrew Croxford	1	1
David Seen	1	1
Ian Tooke	1	1

Indemnifying officers or auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Australian Men's Shed Association Limited.

Contributors on winding up

In the event of the Company being wound up, members are required to contribute a maximum of \$10 each.

Australian Men's Shed Association Limited

Directors' Report
30 June 2024

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2024 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:

Director:

Dated:

**Auditors' Independence Declaration under Section 60-40 of the Charities and Not-for- profits
Commission Act 2012 to the Directors of Australian Men's Shed Association Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and

no contraventions of the auditor independence requirements as set out in the under Section 60-40 of the Charities and

- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

PKF

**MARTIN MATTHEWS
PARTNER**

NEWCASTLE, NSW

Australian Men's Shed Association Limited

Statement of Profit or Loss and Other Comprehensive Income For the Financial Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	2	3,974,728	4,274,390
Employee benefits expense	3	(1,012,586)	(953,246)
Depreciation and amortisation expense	3	(19,301)	(21,122)
Shed development grants & donations	3	(1,452,915)	(1,758,380)
Administration expenses		(50,796)	(65,008)
Advertising and promotions		(157,183)	(183,759)
Professional services expense		(36,736)	(13,021)
Travel & motor vehicle expenses		(145,234)	(145,028)
Insurance expense		(1,106,236)	(994,267)
Other expenses		(42,653)	(42,781)
Finance costs		(3,004)	(6,293)
(Deficit)/ surplus before income tax		(51,916)	91,485
Income tax expense	1(f)	-	-
(Deficit)/ surplus for the year		(51,916)	91,485
Other comprehensive (loss)/income for the year		-	-
Total comprehensive (loss)/income		(51,916)	91,485

The accompanying notes form part of these financial statements.

Australian Men's Shed Association Limited

Statement of Financial Position As At 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	20(b)	965,709	1,761,508
Trade and other receivables	6	16,738	4,669
Inventories	7	9,391	7,113
Other assets	8	791,010	736,408
TOTAL CURRENT ASSETS		1,782,848	2,509,698
NON-CURRENT ASSETS			
Property plant & equipment	9	3,633	1,891
Right-of-use assets	10	100,361	118,072
TOTAL NON-CURRENT ASSETS		103,994	119,963
TOTAL ASSETS		1,886,842	2,629,661
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	219,734	328,053
Lease liabilities	11	54,651	74,668
Employee benefits	13	129,881	125,381
Other liabilities	14	1,150,045	1,676,229
TOTAL CURRENT LIABILITIES		1,554,311	2,204,331
NON-CURRENT LIABILITIES			
Lease liabilities	11	-	52,726
Employee benefits	13	31,910	20,067
TOTAL NON-CURRENT LIABILITIES		31,910	72,793
TOTAL LIABILITIES		1,586,221	2,277,124
NET ASSETS		300,621	352,537
EQUITY			
Retained earnings		300,621	352,537
TOTAL EQUITY		300,621	352,537

The accompanying notes form part of these financial statements.

Australian Men's Shed Association Limited

Statement of Changes in Equity For the Financial Year Ended 30 June 2024

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2023	352,537	352,537
Loss for the year	(51,916)	(51,916)
Balance at 30 June 2024	300,621	300,621
Balance at 1 July 2022	261,052	261,052
Surplus for the year	91,485	91,485
Balance at 30 June 2023	352,537	352,537

The accompanying notes form part of these financial statements.

Australian Men's Shed Association Limited

Statement of Cash Flows For the Financial Year Ended 30 June 2024

	Note	2024 \$	2023 \$
Cash from operating activities:			
Receipts from funding bodies, members, sponsorship and donations		3,759,357	4,112,117
Payments to suppliers and employees		(4,495,892)	(4,394,551)
Interest received		19,978	24,233
Interest paid		(3,004)	(6,293)
Net cash used in operating activities	20(a)	<u>(719,561)</u>	<u>(264,494)</u>
Cash flows from investing activities:			
Purchase of property plant and equipment		(3,492)	-
Net cash used in investing activities		<u>(3,492)</u>	<u>-</u>
Cash flows from financing activities:			
Repayment of lease liabilities		(72,746)	(32,843)
Net cash used in financing activities		<u>(72,746)</u>	<u>(32,843)</u>
Net decrease in cash and cash equivalents held		(795,799)	(297,337)
Cash and cash equivalents at beginning of year		1,761,508	2,058,845
Cash and cash equivalents at end of year	20(b)	<u>965,709</u>	<u>1,761,508</u>

The accompanying notes form part of these financial statements.

Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

1 Material Accounting Policy Information

(a) Statement of compliance

The financial report is a general purpose report which has been prepared in accordance with the Corporations Act 2001, Australian Charities and Not-for-Profits Commission Act 2012, Australian Accounting Standards and Interpretations, and complies with other requirements of the law.

(b) Basis of preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. Unless otherwise indicated, all amounts are presented in Australian dollars.

(c) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held-at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(e) Employee benefits

Provision is made for the company'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 payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. These cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(f) Income tax

The company is exempt from income tax pursuant to s.11-5 of the Income Tax Assessment Act 1997.

(g) Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

(h) Revenue and Other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where the outcome can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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

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 company expects to receive in exchange for those goods or services.

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 company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

(n) New accounting policy

The Company has adopted all of the new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(o) Critical accounting estimates and judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Provision for doubtful debts

The valuation of provision for doubtful debts is estimated by considering the ageing receivables, communication with the debtors and prior history. The directors determined that a \$nil provision (2023: \$nil) for impairment of receivables was an appropriate provision based on aged receivables and debtor days.

Long service leave provision

As discussed in Note 1, the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

2 Revenue and Other Income

	2024	2023
	\$	\$
Sales revenue		
Government grants	2,438,867	2,815,538
Rendering of services	1,287,078	1,188,480
Donations	228,805	246,139
	<u>3,954,750</u>	<u>4,250,157</u>
Other income		
Interest income	19,978	24,233
	<u>3,974,728</u>	<u>4,274,390</u>

3 Expenses

Depreciation and amortisation expense	<u>19,301</u>	<u>21,122</u>
Employee benefits expense	<u>1,012,586</u>	<u>953,246</u>
Shed development grants and donations	<u>1,452,915</u>	<u>1,758,380</u>

4 Key management personnel

The specified non-executive directors of Australian Men's Shed Association Limited during the year were:

Luke Clifton (Chair)	Helen Barker
Paul Sladdin	Bill Clifford
Stuart Eustice	Michael Reddan
Trevor Gorey	Trevor Dobbyn
John Sharples	Barry Laubsch
Andrew Croxford	David Seen
Ian Tooke	

Specified directors remuneration

The non-executive directors received no remuneration during their terms in office for both the 2023 and 2024 financial years.

Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

Specified executives remuneration

The Board reviews the remuneration packages of the executive director on an annual basis. Remuneration packages are reviewed and determined with due regard to current market rates and are benchmarked against comparable industry salaries adjusted by a performance factor to reflect changes in the performance of the company.

	2024	2023
	\$	\$
Short-term employee benefits (i)	182,710	174,270
Post-employment benefits	22,611	24,717
	<u>205,321</u>	<u>198,987</u>

(i) This amount includes salaries and wages paid in the period.

5 Auditors' Remuneration

Remuneration of the auditor of the Company for:

Auditing the financial report	13,350	12,840
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6 Trade and other receivables

Trade and other receivables

	16,738	4,669
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Less: Provision for doubtful debts

	-	-
	<u>16,738</u>	<u>4,669</u>

7 Inventories

CURRENT

Finished goods

	9,391	7,113
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8 Other current assets

Prepayments

	791,010	736,408
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9 Property, Plant and Equipment

PLANT AND EQUIPMENT

Furniture, fixtures and fittings

At cost

	6,910	5,999
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Accumulated depreciation

	(4,402)	(4,206)
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	<u>2,508</u>	<u>1,793</u>
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Computer equipment

At cost

	3,713	3,735
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Accumulated depreciation

	(2,588)	(3,637)
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	<u>1,125</u>	<u>98</u>
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	<u>3,633</u>	<u>1,891</u>
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Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

10 Right of Use Assets

	Motor Vehicles	Total
	\$	\$
Balance at the beginning of the year	118,072	118,072
Amortisation expense	(17,711)	(17,711)
Balance at the end of the year	100,361	100,361

11 Leases

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
2024					
Lease liabilities	53,075	-	-	53,075	54,651
2023					
Lease liabilities	77,672	53,075	-	130,747	127,394

12 Trade and other payables

	2024	2023
	\$	\$
Trade payables	198,099	298,642
GST payable	1,253	217
Sundry payables and accrued expenses	20,382	29,194
	219,734	328,053

13 Employee benefits

Current		
Long service leave	32,059	28,078
Annual leave	97,822	97,303
	129,881	125,381
Non-current		
Long service leave	31,910	20,067

14 Other liabilities

Unearned membership & sponsorship income	901,939	856,487
Grants received in advance	219,474	758,341
Amounts held on behalf of the NSW Men's Shed Association	20(b) 28,632	61,401
	1,150,045	1,676,229

Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

15 Dividends

The company's constitution prevents the declaration of dividends. Accordingly no dividend has been declared in respect of the year ended 30 June 2024 (2023: nil).

16 Related party transactions

Key management personnel remuneration

Details of key management personnel remuneration are disclosed in note 5 to the financial statements.

Other transactions with specified directors

During the year there were no transactions with specified Directors or their relatives (2023: nil) not otherwise disclosed in the financial statements.

17 Events After the Balance Date

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.

18 Contingent Liabilities and Contingent Assets

There were no contingent assets or liabilities as at 30 June 2024 (2023: nil).

19 Segment information

The company promotes the idea of Independent Community Men's Sheds and acts as a resource centre for Men's Sheds across Australia. Accordingly there is only one business and geographical segment.

20 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with (Deficit) / Surplus

	2024	2023
	\$	\$
(Deficit)/Surplus for the year	(51,916)	91,485
Depreciation and amortisation of non - current assets	19,301	21,122
Loss on sale or disposal of non - current assets	160	1,232
Changes in assets and liabilities		
- increase in trade and other receivables	(12,069)	1,431
- increase in other assets	(54,602)	(106,269)
- increase in inventories	(2,278)	(7,113)
- (decrease)/increase in trade payables and accruals	(108,319)	260,219
- decrease in other current liabilities	(526,181)	(513,170)
- increase/(decrease) in provisions	16,343	(13,431)
Net cash flows provided by operating activities	(719,561)	(264,494)

Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

(b) Reconciliation of cash

	2024	2023
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Bank balances	965,709	1,761,508

Included in the total bank balance above is a cash balance of \$28,632 relating to the NSW Men's Shed Association. AMSA hold these funds on behalf of NSW and therefore a corresponding liability has been recognised at 30 June 2024 (2023: \$61,401).

21 Financial Instruments

(a) Interest Rate Risk

The company's cash reserves are subject to interest rate risk, but the company is not dependent on this income.

Maturity profile of financial instruments

The following table details the company's exposure to interest rate risk as at 30 June 2024 and 30 June 2023:

	Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash at bank	-	0.01	965,709	1,761,508	-	-	965,709	1,761,508
Receivables	-	-	-	-	16,738	4,669	16,738	4,669
Total Financial Assets			965,709	1,761,508	16,738	4,669	982,447	1,766,177
Financial Liabilities:								
Trade and sundry payables	-	-	-	-	219,734	328,053	219,734	328,053
Lease liabilities	-	0.01	54,651	127,394	-	-	54,651	127,394
Employee provisions	-	-	-	-	161,791	145,448	161,791	145,448
Total Financial Liabilities			54,651	127,394	381,525	473,501	436,176	600,895

(b) Credit risk management

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. As the overwhelming majority of the company's revenue are government grants, the directors' consider credit risk to be minimal.

Fair value of financial instruments

The directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values (2023: net fair value).

Australian Men's Shed Association Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2024

(c) Liquidity risk management

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

(d) Market risk

As a resource centre for Men's Sheds across Australia, the directors' consider market risk to be minimal.

There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

22 Company Details

Principal Place of Business and Registered Office

The principal place of business and registered office is:

2/21 Parnell Place
Newcastle NSW 2300

Australian Men's Shed Association Limited

Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes for the year ended 30 June 2024 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards and the *Australian Charities and Not-for-Profits Commission Act 2012*; and
 - b. give a true and fair view of the company's financial position and performance in accordance with the accounting policies described in Note 1 to the financial statements of the company;
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:

Dated:

Australian Men's Shed Association Limited

Independent Audit Report to the members of Australian Men's Shed Association Limited

Australian Men's Shed Association Limited

Independent Audit Report to the members of Australian Men's Shed Association Limited

Australian Men's Shed Association Limited

Independent Audit Report to the members of Australian Men's Shed Association Limited